


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☒

APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER GORDON CREEK NE-32-13-8							
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						3. FIELD OR WILDCAT WILDCAT							
4. TYPE OF WELL Gas Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME							
6. NAME OF OPERATOR GORDON CREEK, LLC						7. OPERATOR PHONE 403 453-1608							
8. ADDRESS OF OPERATOR 1179 E Main #345, Price, UT, 84501						9. OPERATOR E-MAIL rironside@thunderbirdenergy.com							
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) Sec 31+32 Fee Lease			11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>							
13. NAME OF SURFACE OWNER (if box 12 = 'fee') Mark Jacobs						14. SURFACE OWNER PHONE (if box 12 = 'fee') 801-226-3407							
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') 914 East 300 North, Orem, UT 84097						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')							
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>							
20. LOCATION OF WELL		FOOTAGES		QTR-QTR		SECTION		TOWNSHIP		RANGE		MERIDIAN	
LOCATION AT SURFACE		1580 FNL 2398 FEL		SWNE		32		13.0 S		8.0 E		S	
Top of Uppermost Producing Zone		1580 FNL 2398 FEL		SWNE		32		13.0 S		8.0 E		S	
At Total Depth		1580 FNL 2398 FEL		SWNE		32		13.0 S		8.0 E		S	
21. COUNTY CARBON				22. DISTANCE TO NEAREST LEASE LINE (Feet) 1580				23. NUMBER OF ACRES IN DRILLING UNIT 40					
				25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1515				26. PROPOSED DEPTH MD: 4401 TVD: 4401					
27. ELEVATION - GROUND LEVEL 7469				28. BOND NUMBER RLB0010790				29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 91-5193					
Hole, Casing, and Cement Information													
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight			
SURF	11	8.625	0 - 450	24.0	J-55 ST&C	8.7	Class G	212	1.142	15.84			
PROD	7.875	5.5	0 - 4401	17.0	N-80 LT&C	10.0	Class G	382	2.69	10.7			
ATTACHMENTS													
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES													
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER						<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN							
<input checked="" type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)						<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER							
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)						<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP							
NAME Barry Brumwell				TITLE Vice President-Operations				PHONE 403 453-1608					
SIGNATURE				DATE 09/26/2011				EMAIL bbrumwell@thunderbirdenergy.com					
API NUMBER ASSIGNED 43007502450000				APPROVAL  Permit Manager									

RECEIVED: November 30, 2011

DRILLING PLAN and PROGRAM

Attached to UDOGM Form 3

GORDON CREEK, LLC.**NE-32-13-8**

SURFACE LOCATION: 1,580.48' FNL & 2,398.39' FEL

SW/4 of NE/4 of Section 32-13S-8E

Carbon County, Utah

1. SURFACE GEOLOGIC FORMATION

Emery Sandstone Member of the Mancos Shale

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS

Mancos Blue Gate Shale top: 2,027' KB

Lower Blue Gate Bentonite Marker: 3,796' KB

Ferron SS: 3,931' KB

3. PROJECTED GAS & H₂O ZONES

While no groundwater is expected to be encountered, groundwater *may* be encountered within the Emery Sandstone Member of the Mancos Shale. Any water encountered will be reported on a Form 7 "Report of Water Encountered During Drilling". All indications of usable water will be reported.

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones and prospectively valuable mineral deposits.

Surface casing will be tested to 500 psi and the Production casing will be tested to 1,500 psi, with a minimum of 1 psi/ft of the last casing string setting depth.

4. PROPOSED CASING AND CEMENTING PROGRAMS

Refer to EXHIBIT "A" for casing design information

A. CASING PROGRAM

HOLE SIZE (in)	CASING SIZE (in)	WEIGHT (#/ft)	GRADE	JOINT	DEPTH SET (ft)
17	12 ³ / ₄	40.5	H-40	ST&C	0 – 40
11	8 ⁵ / ₈	24.00	J-55	ST&C	0 – 450
7 ⁷ / ₈	5 ¹ / ₂	17.00	N-80	LT&C	0 – 4,401

B. CEMENTING PROGRAM

The 8 ⁵/₈" surface casing will be set and cemented full length with approximately 212 sacks of 0-1-0 Class "G" cement + 2% CaCl₂ + 0.25 #/sk of cellophane flakes mixed at 15.84 ppg (yield = 1.142 ft³/sk); volume based on nominal hole size + 100% excess. The cement will be circulated back to surface. In the event that the cement is not circulated back to surface, a 1" top out job will be performed with 0-1-0 Class "G" cement + 2% CaCl₂ + 0.25 #/sk of cellophane flakes mixed at 15.84 ppg (yield = 1.142 ft³/sk).

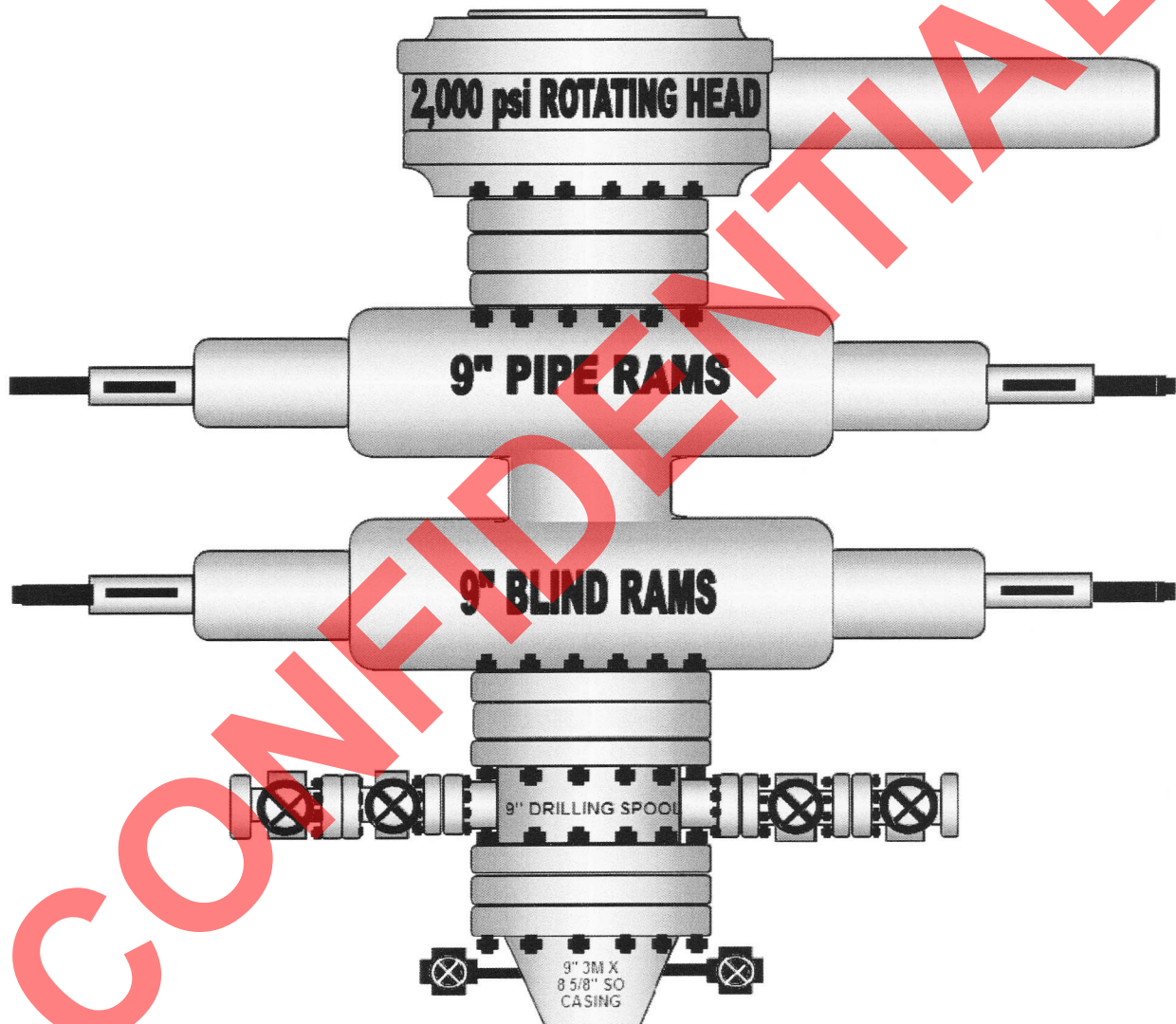
The 5 ¹/₂" production casing will be set and cemented full length using 382 sx of 0-1-0 "G" Light Weight cement incorporating 42% "SuperBall" centrospheres to lighten the cement density + 3% NaCl, 0.3% Air-out, 1.5% SFI-300, 0.2% SCR-2. The cement will be mixed at 10.7 ppg (yield = 2.69 ft³/sk); volume based on nominal hole size + 35% excess. The cement will be circulated back to surface.

THE FOLLOWING SHALL BE ENTERED INTO THE DRILLER'S LOG:

- I. Blowout preventer pressure tests, including test pressures and results;
- II. Blowout preventer tests for proper functioning;
- III. Blowout prevention drills conducted;
- IV. Casing run, including size, grade, weight, and depth set;
- V. How the pipe was cemented, including amount of cement, type, whether cement was circulated back to surface, location of the cementing tools, etc.;
- VI. Waiting on cement time for each casing string;
- VII. Casing pressure tests after cementing, including test pressures and results.

5. THE OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

Below is a schematic diagram of the blowout preventer equipment requirements for this drilling operation. A 9' X 3,000 psi double gate BOP will be used with a 2,000 psi Rotating Head utilized for air drilling operations. ALL BOPE will be pressure tested to the required operating pressures of each component. All tests will be recorded in the Driller's Report Book. The physical operation of each component of the BOP's will be checked on each trip.



6. THE TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATING FLUIDS / MUDS

0' – 450'	11" Surface Hole	Drill with air, will mud-up if necessary.
450' – TMD	7 ⁷ / ₈ " Main Hole	Drill with air, 500 psi @ 1500-2300 ft ³ /min

Will "mud up" at Total Depth to run logs and casing. Will mud up sooner if hole conditions dictate. It is anticipated that drilling fluid densities of 8.3 – 8.7 #/gal will be utilized when "mudded up".

7. THE TESTING, LOGGING AND CORING PROGRAMS

Open hole logs consisting of a CNL-LDT-GR-CAL will be run from above the Blue Gate Shale to TMD. A DIL-GR-SP log will be run from TMD to surface casing.

8. ANY ANTICIPATED ABNORMAL PRESSURES or TEMPURATURES

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is approximately 1250 psi maximum. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

9. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS

The well will be drilled between late September and the end of November, 2011. Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- a) prior to beginning construction;
- b) prior to spudding;
- c) prior to running any casing or BOP tests;
- d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall IMMEDIATELY be reported to the Division of Oil, Gas & Mining.


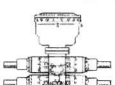
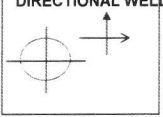
GORDON CREEK NE-32-13S-8E		SURFACE LEASE #: FEE (JACOBS)																												
SNW/4 OF NESW/4, 1,580.48' FNL + 2,398.39' FEL		MINERAL LEASE #: FEE (TRACT 1)																												
		AFE: 11DRL004																												
		WORKING INTEREST: 100%																												
		RIG:																												
		DRILL DAYS BELOW SURFACE CASING SHOE: 5																												
																														
Survey Grd. Ele: 7,469.3' Est. KB Elev: 7,481' DIRECTIONAL WELL: 11.7' KB 		EMERGENCY PLANNING ZONE SUMMARY SWEET WELL: THUNDERBIRD'S CORPORATE EMERGENCY RESPONSE PLAN APPLIES																												
8.625" Casing Set @ ~450' TOPS ft TVD Emery Fm. Sfc. SURFACE CASING 450 BASE OF GROUNDWATER TBD		CASING DESIGN <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Interval (ft)</th> <th>O.D. (inches)</th> <th>#/ft</th> <th>Grade</th> <th>Thread</th> <th>Burst (psi)</th> <th>Collapse (psi)</th> <th>Opt.Torque (ft lbs)</th> </tr> </thead> <tbody> <tr> <td>Surface:</td> <td>0 - 450</td> <td>8 5/8</td> <td>24</td> <td>J-55</td> <td>ST&C</td> <td>2,950</td> <td>1,370</td> <td>2,440</td> </tr> <tr> <td>Main:</td> <td>0 - 4,401'</td> <td>5 1/2</td> <td>17</td> <td>N-80</td> <td>LT&C</td> <td>7,740</td> <td>6,280</td> <td>3,480</td> </tr> </tbody> </table>			Interval (ft)	O.D. (inches)	#/ft	Grade	Thread	Burst (psi)	Collapse (psi)	Opt.Torque (ft lbs)	Surface:	0 - 450	8 5/8	24	J-55	ST&C	2,950	1,370	2,440	Main:	0 - 4,401'	5 1/2	17	N-80	LT&C	7,740	6,280	3,480
	Interval (ft)	O.D. (inches)	#/ft	Grade	Thread	Burst (psi)	Collapse (psi)	Opt.Torque (ft lbs)																						
Surface:	0 - 450	8 5/8	24	J-55	ST&C	2,950	1,370	2,440																						
Main:	0 - 4,401'	5 1/2	17	N-80	LT&C	7,740	6,280	3,480																						
11" Surface Hole 7.375" Main Hole		*ENSURE THAT MARKER JOINTS ARE PLACED IN THE CASING STRING OPPOSITE ANY PAY ZONE TARGET: FERRON SANDSTONE/COAL; CASING TO BE CUT 16" ABOVE CASING BOWL																												
MUD UP ONLY IF WATER INFLUX OCCURS OR TIGHT HOLE CONDITIONS OCCUR Begin taking samples on Geologists orders		CEMENTING PROGRAM - Primary - Single Stage <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Bit Size (inches)</th> <th>Cement</th> <th>Additives</th> <th>Yield (ft³/sk)</th> <th>Volume (sx)</th> <th>% Excess</th> <th>Cmt Top (ft)</th> <th>Density (#/gal)</th> </tr> </thead> <tbody> <tr> <td>Surface:</td> <td>11</td> <td>0-1-0 "G"</td> <td>2% CaCl₂ + Cellophane flakes</td> <td>1.142</td> <td>212.0</td> <td>100</td> <td>SFC</td> <td>15.84</td> </tr> <tr> <td>Main:</td> <td>7 7/8</td> <td>Superball 10.7</td> <td>3% NaCl, 0.3% Air-out, 42% Superball, 1.5% SFI-300, 0.2% SCR-2</td> <td>2.69</td> <td>382.0</td> <td>35</td> <td>SFC</td> <td>10.70</td> </tr> </tbody> </table>			Bit Size (inches)	Cement	Additives	Yield (ft³/sk)	Volume (sx)	% Excess	Cmt Top (ft)	Density (#/gal)	Surface:	11	0-1-0 "G"	2% CaCl₂ + Cellophane flakes	1.142	212.0	100	SFC	15.84	Main:	7 7/8	Superball 10.7	3% NaCl, 0.3% Air-out, 42% Superball, 1.5% SFI-300, 0.2% SCR-2	2.69	382.0	35	SFC	10.70
	Bit Size (inches)	Cement	Additives	Yield (ft³/sk)	Volume (sx)	% Excess	Cmt Top (ft)	Density (#/gal)																						
Surface:	11	0-1-0 "G"	2% CaCl₂ + Cellophane flakes	1.142	212.0	100	SFC	15.84																						
Main:	7 7/8	Superball 10.7	3% NaCl, 0.3% Air-out, 42% Superball, 1.5% SFI-300, 0.2% SCR-2	2.69	382.0	35	SFC	10.70																						
Blue Gate Shale Mbr ** 2,027' Lower Bluegate Bentonite Marker 3,796' FERRON SS/COAL * (750 psi) 3,931' AIR DRILL THROUGH ZONE IF POSSIBLE Tununk Shale 4,343' TD 4,401'		DRILLING FLUIDS <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Interval</th> <th>Type</th> <th></th> </tr> </thead> <tbody> <tr> <td>Surface :</td> <td>0 - 450</td> <td>Water</td> <td>Drill with water, mud up with gel chem if water influx occurs.</td> </tr> <tr> <td></td> <td></td> <td>Gel Chemical</td> <td>Condition mud thoroughly prior to POOH to run/cement casing</td> </tr> <tr> <td>Main:</td> <td>450 - 3,850</td> <td>AIR</td> <td>MUD UP ONLY if water influx occurs or if TIGHT HOLE</td> </tr> <tr> <td></td> <td>3,850-4,401</td> <td>Gel Chemical</td> <td>conditions become prevalent. MUD UP at ~ 3,850' to TD.</td> </tr> </tbody> </table>			Interval	Type		Surface :	0 - 450	Water	Drill with water, mud up with gel chem if water influx occurs.			Gel Chemical	Condition mud thoroughly prior to POOH to run/cement casing	Main:	450 - 3,850	AIR	MUD UP ONLY if water influx occurs or if TIGHT HOLE		3,850-4,401	Gel Chemical	conditions become prevalent. MUD UP at ~ 3,850' to TD.							
	Interval	Type																												
Surface :	0 - 450	Water	Drill with water, mud up with gel chem if water influx occurs.																											
		Gel Chemical	Condition mud thoroughly prior to POOH to run/cement casing																											
Main:	450 - 3,850	AIR	MUD UP ONLY if water influx occurs or if TIGHT HOLE																											
	3,850-4,401	Gel Chemical	conditions become prevalent. MUD UP at ~ 3,850' to TD.																											
		11" SURFACE HOLE - Spud with an approved water well/surface casing rig and drill to surface TD of about 450 ft. Survey every 100'. Ensure that the surface hole deviation does not exceed 3 degrees. Set surface casing at least 50' below any water influx zone. - NOTE: MUD UP with Gel Chemical mud system immediately if water influx becomes problematic. Refer to the Mud Program and the Cementing Program for further information. Move rig off of location once surface casing is set. 7 7/8" MAIN HOLE: VERTICAL HOLE - Move on conventional drilling rig and drill out with and AIR DRILL as far as possible with air. Survey every 300'. Ensure that deviation does not exceed 3 degrees. Notify Calgary operations immediately if a 3 degree deviation is exceeded. - TIGHT HOLE is possible on connections. REAM HOLE at first indication of tight hole and attempt to continue to air drill. - COAL/SHALE SEAMS can occur in the wellbore which may be faulted and unconsolidated resulting in sloughing hole conditions. - H₂S WILL NOT be encountered. - MUD UP ONLY if water influx occurs OR if tight hole conditions become prevalent. - OVER PRESSURE: Generally, all zones in the wellbore should be underpressured (below normal water gradient) or have normal pressure gradients. - LOST CIRCULATION should only have the potential to occur when drilling with fluids. ENSURE AN ADEQUATE AMOUNT OF LCM IS ON LOCATION AT ALL TIMES. - FERRON SS/COAL PENETRATION - ATTEMPT TO AIR DRILL THROUGH THE FERRON ZONE. WATER may be encountered upon penetration. Ensure good hole conditions are prevalent to penetrating the FERRON. - MUD UP - switch to a Gel Chem drilling fluid system at ~3,850' OR if water/tight hole problems occur. - Mud Check - prior to POOH for logging, condition the mud and check mud properties with mudman. DO NOT POOH until the wellbore is circulating free of cuttings and the mud properties are optimal for logging. NOTE: Ensure the well is cemented to surface on both casing strings. Contact the Operations Supervisor if any casing string cement job does not obtain returns to surface.																												
		SAMPLE REQUIREMENTS/ EVALUATION <table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td>T-BIRD</td> <td>Begin taking 2 sets of samples every 10 feet at 3,230' to TD</td> </tr> <tr> <td>GOVT:</td> <td>As per regulations</td> </tr> <tr> <td>Detection:</td> <td>Gas detection/ PASON Mud Log as per Geologist's request.</td> </tr> <tr> <td>Cores:</td> <td>No coring</td> </tr> <tr> <td>DST:</td> <td>No DST's</td> </tr> </tbody> </table>		T-BIRD	Begin taking 2 sets of samples every 10 feet at 3,230' to TD	GOVT:	As per regulations	Detection:	Gas detection/ PASON Mud Log as per Geologist's request.	Cores:	No coring	DST:	No DST's																	
T-BIRD	Begin taking 2 sets of samples every 10 feet at 3,230' to TD																													
GOVT:	As per regulations																													
Detection:	Gas detection/ PASON Mud Log as per Geologist's request.																													
Cores:	No coring																													
DST:	No DST's																													
		LOGGING PROGRAM - NUMBER OF COPIES OF EACH LOG: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th># of copies</th> </tr> </thead> <tbody> <tr> <td>DIL-GR-SP T.D. to surface casing</td> <td>4</td> </tr> <tr> <td>CNL-LDT-GR-CAL T.D. to 3,230'</td> <td>4</td> </tr> </tbody> </table>			# of copies	DIL-GR-SP T.D. to surface casing	4	CNL-LDT-GR-CAL T.D. to 3,230'	4																					
	# of copies																													
DIL-GR-SP T.D. to surface casing	4																													
CNL-LDT-GR-CAL T.D. to 3,230'	4																													
		Run a multi-arm caliper log to ensure correct calculation for cement volumes on casing or plugs.																												

EXHIBIT "A"

CASING DESIGN
GORDON CREEK ST NE-32-13-8
PROJECTED TD: 4,401' KB

SURFACE CASING (0' – 450')

Diameter	8 ⁵ / ₈ "
Interval	450' to Surface
Weight	24 #/ft
Grade	J-55
Coupling	ST&C

Burst Design

The recommended practice is to base the burst rating of the casing string in psi to be at least numerically equal to 0.225 psi/ft times the setting depth in feet of the next casing string. The rating chosen was also intended to match the BOPE pressure rating and exceed the highest possible surface pressure of approximately 936 psig.

Burst required =	$0.225 \times 4,401$	990 psig
Burst rating of casing string:	2,950 psi	
Safety factor =	$2,950 \text{ psi} / 990 \text{ psi} =$	2.98

Collapse Design

Collapse pressure is negligible on this surface string.

Tension Design

String weight in air	10,800 #
Tensile strength of joint	244,000 lbf
Safety factor of joint	22.6

PRODUCTION CASING (0' – 4,401')

Diameter	5 ½"
Interval	4,161' to surface
Weight	17 #/ft
Grade	N-80
Coupling	LT&C

Burst Design

An internal pressure gradient of 0.4863 psi/ft has been used as a basis for these calculations. This gradient is equivalent to the force exerted by 10 ppg drilling fluid, which is a much higher density of fluid than we anticipate being required to drill this well.

Burst rating of casing string:	7,740 psi	
Burst rating required:	4,401' X 0.4863 =	2,140 psig
Safety factor =	7,740 psi / 2,140 psi =	<u>3.62</u>

Tension Design

1.6 Safety factor of top joint, neglecting buoyancy and without over pull.

Tensile rating of casing joint:	348,000 lbf	
String Weight:	4,401' X 17 #/ft =	74,817 lbf
Safety factor =	348,000 lbf / 74,817 lbf =	<u>4.65</u>

Collapse Design

Maximum anticipated mud weight is 10.0 ppg based on a mud gradient of 0.53 psi/ft.

Collapse rating of csg string:	6,280 psi	
Collapse rating required:	4,401' X 0.53 psi/ft =	2,333 psi
Safety factor =	6,280 psi / 2,333 psi =	<u>2.69</u>

Production Casing Design

Interval (ft)	Weight (#/ft)	Grade	S.F. Burst	S.F. Collapse	S.F. Tension
4,401' – 0'	17	N-80	3.62	4.65	2.69

MULTI-POINT SURFACE USE PLAN

Attached to UDOGM Form 3

GORDON CREEK, LLC.

NE-32-13-8

SURFACE LOCATION: 1,580.48' FNL & 2,398.39' FEL

SW/4 of NE/4 of Section 32-13S-8E

Carbon County, Utah

1. EXISTING ROADS

- a. We do not plan to change, alter or improve upon ANY existing State or County roads.
- b. Existing roads will be maintained in the same or better condition.

2. PLANNED ACCESS

- a. This well will be accessed from an existing two-track trail on the Surface Owner's property, that comes off of Benches County Road, therefore no new access FROM Benches Road is required.
- b. If the well is productive, the road will be maintained as necessary to prevent soil erosion and maintain year-round traffic. However, we may allow the access road to be gated and closed off during winter production operations and access the site with a snowmobile or other winter ATV.
- c. Maximum Width: 24' travel surface with 27' base.
- d. Maximum grade: 25%
- e. Road culverts may be required. Surface water will be diverted around the well pad as necessary.
- f. Any power lines and / or pipelines to/from the well will follow the proposed access route.

3. LOCATION OF EXISTING WELLS

- a. As shown on the Civil Location Survey Plat for the well.

4. LOCATION OF EXISTING and/or PROPOSED FACILITIES

- a. If the well is a producer, installation of required production facilities will follow the drilling and completion phase of well operations. Buried flow lines, water lines and electrical cable will follow the proposed access road and other existing access ROWs to the intersection with Thunderbird's main 12' pipeline corridor.
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

5. LOCATION AND TYPE OF WATER SUPPLY

- a. All water to be used for drilling operations will be obtained from area water wells drilled and owned by Gordon Creek, LLC.
- b. Water will be transported to location by truck over approved access roads.

6. SOURCE OF CONSTRUCTION MATERIALS

- a. Any necessary construction materials needed will be obtained locally from a private source and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal / Indian lands.

7. METHODS FOR HANDLING WASTE DISPOSAL

- a. Rather than utilizing a "mud pit" on each drilling location, we will be utilizing one large "remote sump" pit per approximately 4-6 wells drilled to hold the drilled solids and drilling fluids required during the drilling of those 4 wells. This remote sump will be centrally located on one of the drilling locations. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operations cease with four strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. As the majority of each well is expected to be air drilled, a small reserve "blooie" pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will not be lined unless conditions encountered during construction warrant it or if deemed necessary by the DOGM Representative during pre-site inspection. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operations cease with four strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. Following drilling, the liquid waste will be evaporated from any pit and the pit backfilled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- c. In the event that wellbore fluids are produced, any oil will be retained in tanks until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. ANCILLARY FACILITIES

- e. We anticipate no need for ancillary facilities with the exception of a trailer to be located on the drill site.

9. WELLSITE LAYOUT

- a. Gordon Creek, LLC. has reduced to surface lease size (area stripped and levelled) for this location to the smallest lease size possible to accommodate the required drilling rig and support equipment.
- b. Any available topsoil will be removed from the location and stockpiled. The location of the rig, mud tanks, reserve and berm pits and all other drilling support equipment will be located as per common oilfield rig layouts.
- a. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the blooie pit. The blooie pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- b. Access to the well pad will be as shown on the Civil Location Survey Plat for the well.
- c. Natural runoff will be diverted around the well pad.

10. PLANS FOR RESTORATION OF SURFACE

- a. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to minimize possible erosion.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.
- d. Rehabilitation will commence following completion of the well. Rat and mouse holes will be filled in immediately upon release of the drilling rig from the location. If the well site is to be abandoned, all disturbed areas will be re-contoured to the natural terrain found prior to location construction.

11. SURFACE OWNERSHIP

- a. The well site and access road are on and across lands owned by Mark and Jim Jacobs, with whom we have a signed surface use agreement in place. The operator shall contact the landowner and the Division of Oil, Gas and Mining 48 hours prior to beginning construction activities.

12. OTHER INFORMATION

- a. The primary surface use is wildlife habitat and/or cattle grazing. The nearest dwelling is approximately 13.5 miles east (Price, Utah).
- b. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed and piled downhill from the topsoil stockpile location.
- c. The back-slope and fore-slope will be constructed no steeper than 4:1.
- d. All equipment and vehicles will be confined to the access road and well pad.

- e. A complete copy of the approved Application for Permit to Drill (APD,) including all conditions and stipulations shall be on the well-site during construction and drilling operations.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas & Mining.

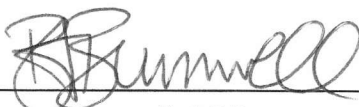
13. COMPANY REPRESENTATIVE

Barry Brumwell, C.E.T.
Vice President, Operations
Gordon Creek LLC., a wholly owned subsidiary of
Thunderbird Energy Corp.
#550, 1010 – 1st Street S.W.
Calgary, Alberta, Canada
(403) 453-1608 (office)
(403) 818-0696 (mobile)
bbrumwell@thunderbirdenergy.com

14. CERTIFICATION

I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by Gordon Creek, LLC. and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

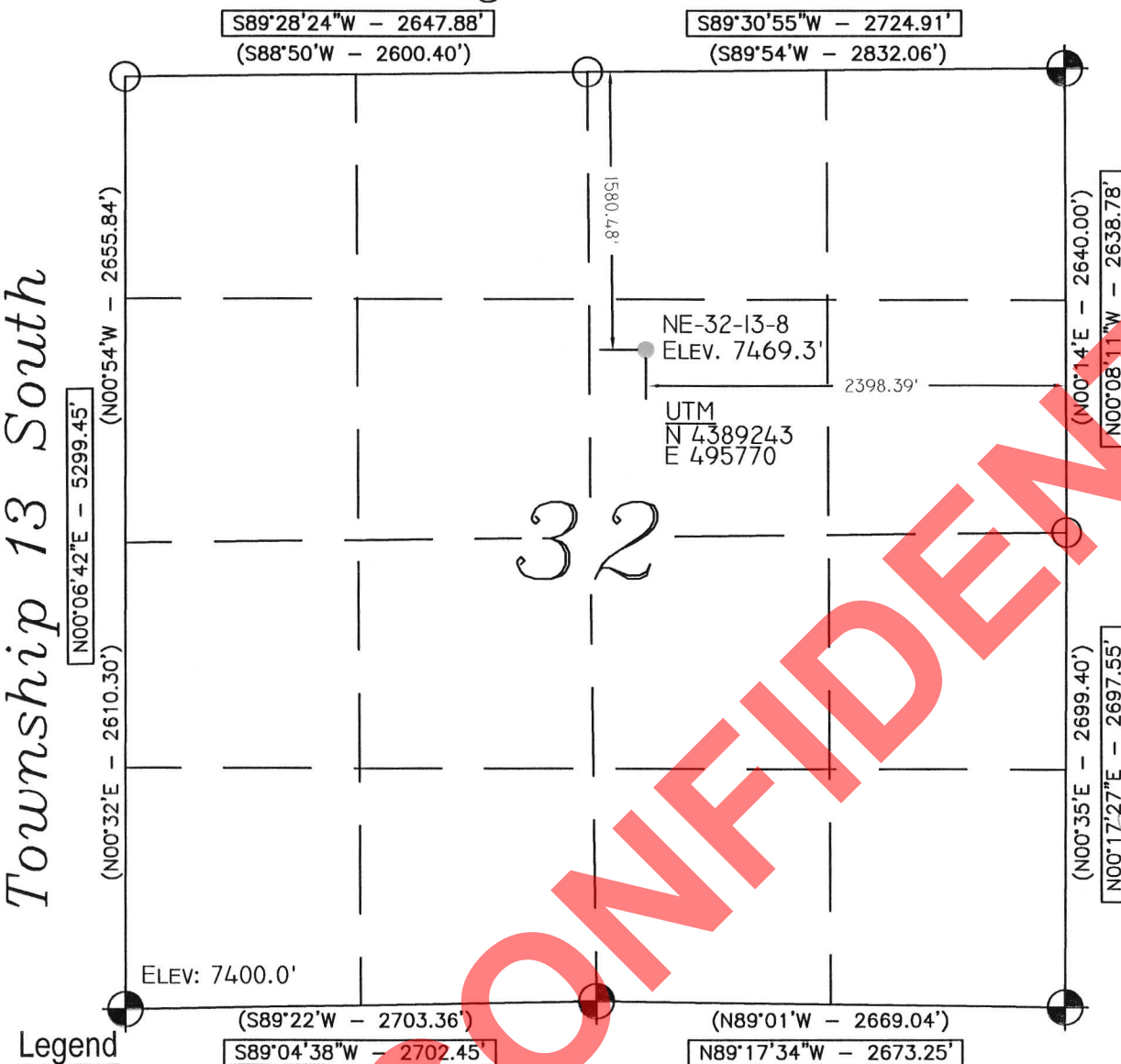
10/27/2011
DATE



Barry Brumwell, C.E.T.
Vice President, Operations
Gordon Creek LLC. / Thunderbird Energy Inc.

Range 8 East

Township 13 South



Legend

- Drill Hole Location
- ⊙ Brass Cap (Found)
- Stone (Found)
- △ Calculated Corner
- () GLO
- GPS Measured

NOTES:

1. Dimensions are GPS measured unless noted otherwise.
2. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

LAT / LONG
 39°39'17.488" N
 111°02'57.511" W

Location:

The well location was determined using a Trimble 5700 GPS survey grade unit.

Basis of Bearing:

The Basis of Bearing is GPS Measured.

GLO Bearing:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:

Basis of Elevation of 7400.00' being at the Southwest Section Corner of Section 32, Township 13 South, Range 8 East, Salt Lake Base and Meridian, as shown on the Jump Creek Quadrangle 7.5 minute series map.

Description of Location:

Proposed Drill Hole located in the SW/4 NE/4 of Section 32, T13S, R8E, S.L.B.&M., being South 1580.48' from North Line and West 2398.39' from East Line of Section 32, T13S, R8E, Salt Lake Base and Meridian.

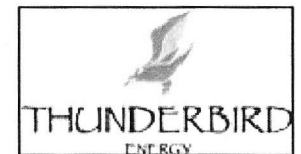
Surveyor's Certificate:

I, John S. Huefner, a Professional Land Surveyor, holding Certificate No. 144842 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



TALON RESOURCES, INC.

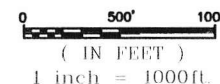
615 North 400 East P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talonsetv.net



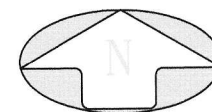
NE-32-13-8
 Section 32, T13S, R8E, S.L.B.&M.
 Carbon County, Utah

Drawn By: N. BUTKOVICH	Checked By: A.P.C./J.S.H.
Drawing No. A-1	Date: 8/17/11
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 4880

GRAPHIC SCALE



ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 7469.3'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 7468.8'



TALON RESOURCES, INC.

615 North 400 East P.O. Box 1230
 Huntington, Utah 84528

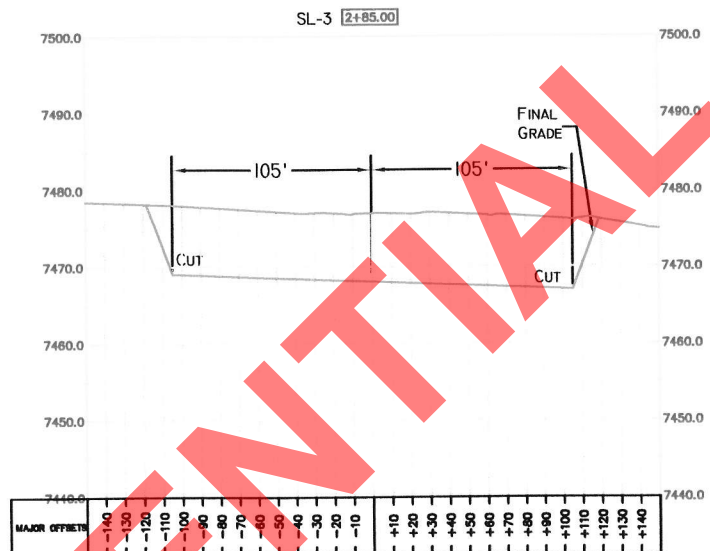
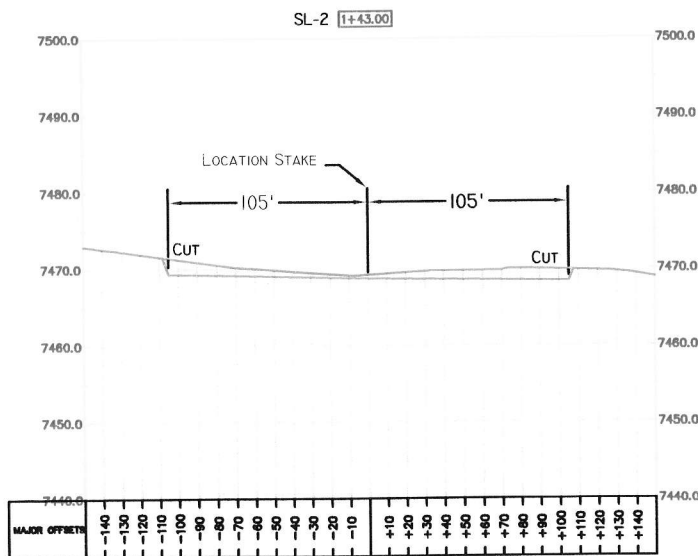
Phone (435)687-5310 Fax (435)687-5311
 E-Mail talon@etv.net



LOCATION LAYOUT Section 32, T13S, R8E, S.L.B.&M. NE-32-13-8

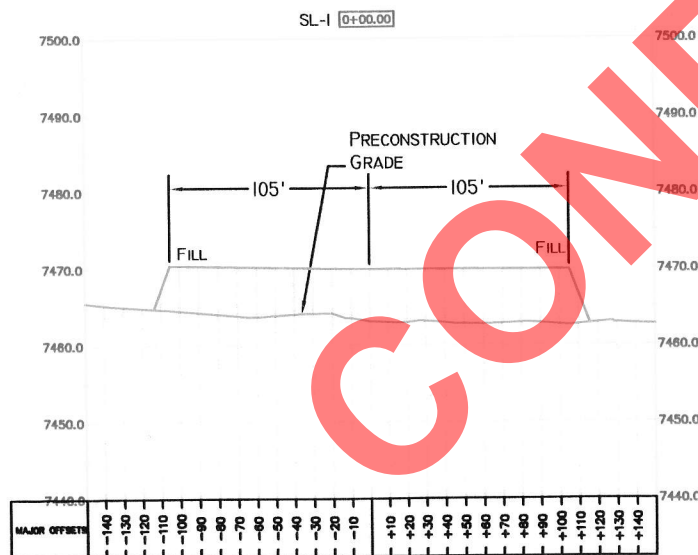
Drawn By: N. BUTKOVICH	Checked By: A.P.C.
Drawing No. A-2	Date: 8/17/11
	Scale: 1" = 80'
Sheet 2 of 4	Job No. 4880

Revision: 11/23/11
 Revision: 11/9/11



1" = 10'
X-Section
Scale
1" = 40'

SLOPE = 1 1/2 : 1



APPROXIMATE YARDAGES

(6") TOPSOIL STRIPPING = 1,280 CU. YDS.

TOTAL CUT = 6,300 CU. YDS.

TOTAL FILL = 3,400 CU. YDS.



TALON RESOURCES, INC.

615 North 400 East P.O. Box 1230
Huntington, Utah 84528

Phone (435) 687-5310 Fax (435) 687-5311
E-Mail talon@etv.net



TYPICAL CROSS SECTION
Section 32, T13S, R8E, S.L.B.&M.
NE-32-13-8

Drawn By: N. BUTKOVICH	Checked By: A.P.C.
Drawing No. C-1	Date: 8/17/11
	Scale: 1" = 100'
Sheet 3 of 4	Job No. 4880



TN*/MN
12%

0.0 0.5 1.0 1.5 2.0 2.5 3.0 3.5 miles
0 1 2 3 4 5 km

Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)



October 29, 2011

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Re: *Affidavit of status of the Jacob Family Surface Use Agreement*

Township 13 South, Range 8 East, SLM

Section 31: N $\frac{1}{2}$ N $\frac{1}{2}$

Section 32: All

Township 14 South, Range 8 East, SLM

Section 5: N $\frac{1}{2}$ N $\frac{1}{2}$

All in Carbon County, Utah

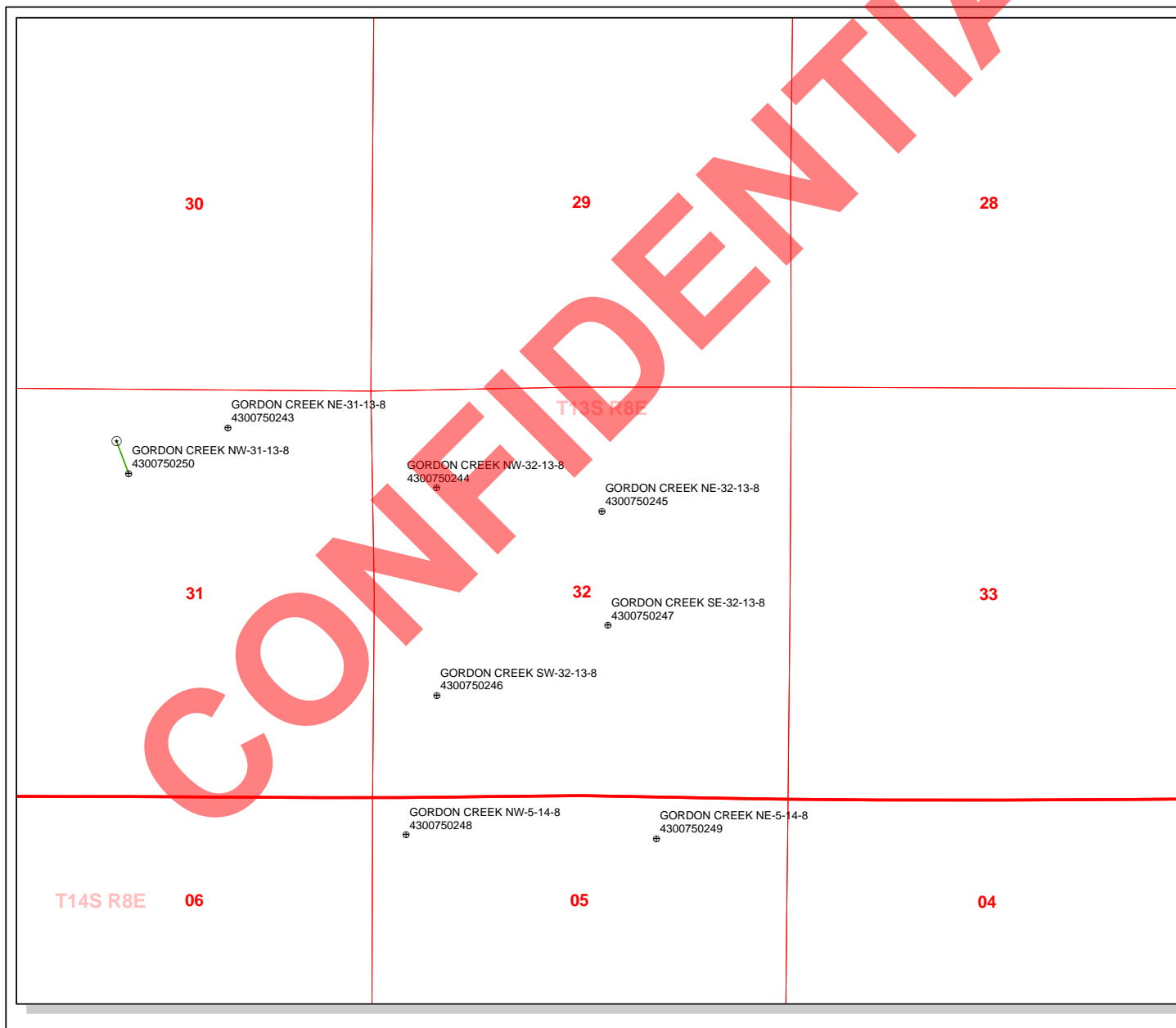
This letter may serve as notice that on the 22nd of October, 2011 we obtained a signed agreement from the Jacob Family regarding surface use fees and compensation amounts for our planned activities on their lands were agreed to. Full compensation has been paid out to the Jacobs Family, therefore we have executed the Surface Use Agreement for the above noted lands and its requirements in full.

Sincerely,

Barry Brumwell

Vice President of Operations

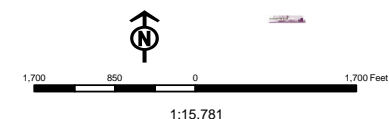
Thunderbird Energy / Gordon Creek, LLC.



API Number: 4300750245
Well Name: GORDON CREEK NE-32-13-8
Township T1.3 . Range R0.8 . Section 32
Meridian: SLBM
 Operator: GORDON CREEK, LLC

Map Prepared:
 Map Produced by Diana Mason

Units	Wells Query
STATUS	Status
ACTIVE	APD - Approved Permit
EXPLORATORY	DRL - Spudded (Drilling Commenced)
GAS STORAGE	GIW - Gas Injection
NF PP OIL	GS - Gas Storage
NF SECONDARY	LA - Location Abandoned
PI OIL	LOC - New Location
PP GAS	OPS - Operation Suspended
PP GEOTHERM	PA - Plugged Abandoned
PP OIL	PGW - Producing Gas Well
SECONDARY	POW - Producing Oil Well
TERMINATED	RET - Returned APD
Fields	STATUS
Unknown	SGW - Shut-in Gas Well
ABANDONED	SOW - Shut-in Oil Well
ACTIVE	TA - Temp. Abandoned
INACTIVE	TW - Test Well
COMBINED	WDW - Water Disposal
STORAGE	WW - Water Injection Well
TERMINATED	WSW - Water Supply Well





September 28th, 2011

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

To Whom It May Concern;

Re: LOCATION EXEMPTION LETTER - Gordon Creek NE-32-13S-8E

In reference to the State of Utah Oil & Gas Conservation Rule # R649-3-2, the proposed well GORDON CREEK NE-32-13S-8E is an exception to the rule due to the topography of the 40 acre Section that the well is located in.

There are no additional lease owners with 460' of the proposed location.

If you have any further questions regarding this matter, please don't hesitate to contact me by telephone at (403) 453-1608 or via email at bbrumwell@thunderbirdenergy.com.

Respectfully;

Barry Brumwell, C.E.T.

Vice President of Operations

Thunderbird Energy

Gordon Creek, LLC.

Gordon Creek, LLC. is a wholly owned subsidiary of thunderbird Energy Inc.

#550, 1010 – 1st Street S.W. Calgary, Alberta, Canada T3Z 1G7

BOPE REVIEW

GORDON CREEK, LLC GORDON CREEK NE-32-13-8 43007502450000

Well Name	GORDON CREEK, LLC GORDON CREEK NE-32-13-8 430075			
String	SURF	PROD		
Casing Size(")	8.625	5.500		
Setting Depth (TVD)	450	4401		
Previous Shoe Setting Depth (TVD)	0	450		
Max Mud Weight (ppg)	8.7	10.0		
BOPE Proposed (psi)	500	3000		
Casing Internal Yield (psi)	2950	7740		
Operators Max Anticipated Pressure (psi)	1700	7.4		

Calculations	SURF String	8.625	"
Max BHP (psi)	.052*Setting Depth*MW=	204	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	150	YES <input type="text" value="air drill"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	105	YES <input type="text" value="OK"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	105	NO <input type="text" value="OK"/>
Required Casing/BOPE Test Pressure=		450	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

Calculations	PROD String	5.500	"
Max BHP (psi)	.052*Setting Depth*MW=	2289	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	1761	YES <input type="text" value="air drill"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1321	YES <input type="text" value="OK"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1420	NO <input type="text" value="Reasonable"/>
Required Casing/BOPE Test Pressure=		3000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		450	psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO <input type="text"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO <input type="text"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO <input type="text"/>
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO <input type="text"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO <input type="text"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO <input type="text"/>
Required Casing/BOPE Test Pressure=			psi

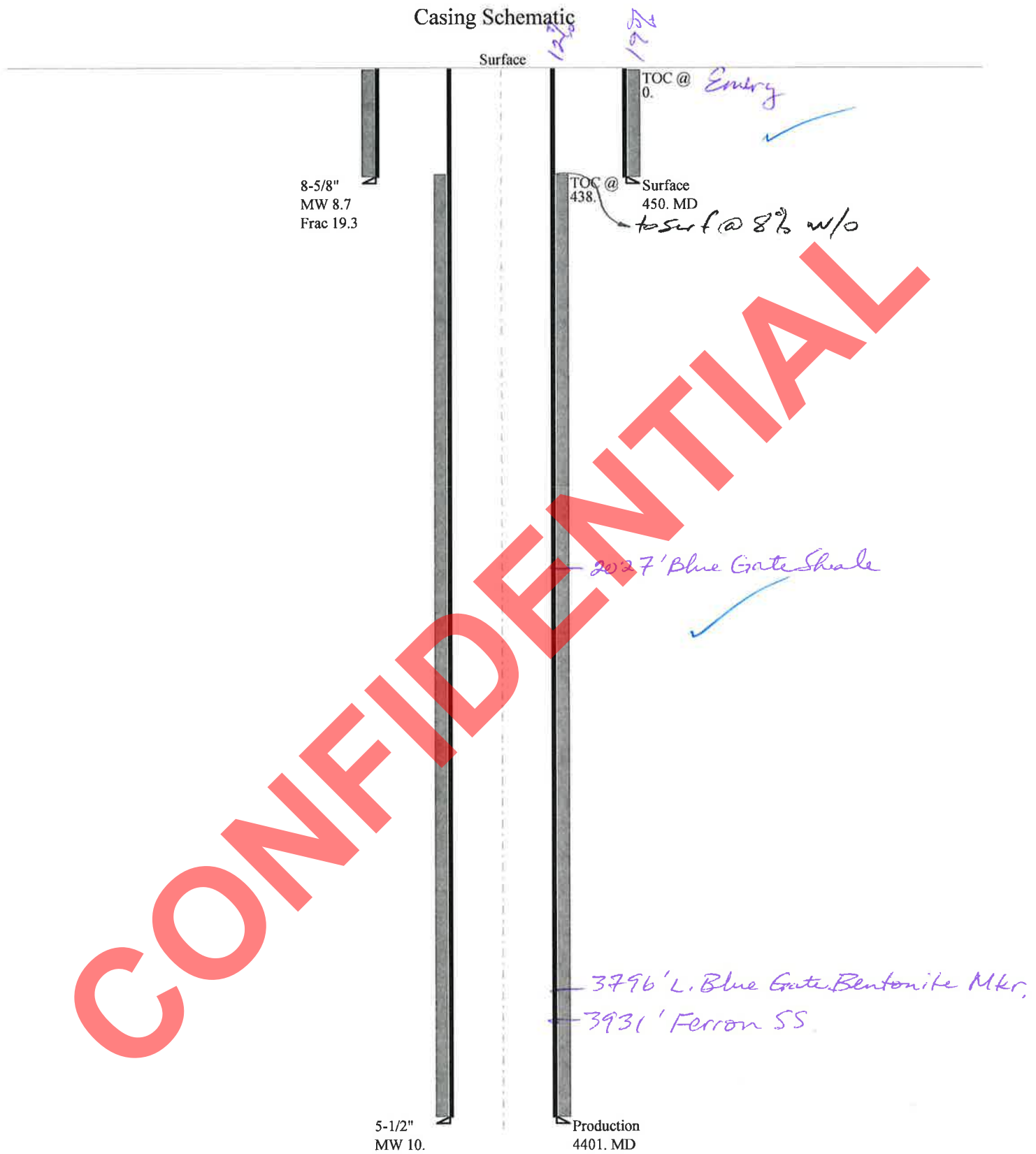
*Max Pressure Allowed @ Previous Casing Shoe=

psi *Assumes 1psi/ft frac gradient

CONFIDENTIAL

43007502450000 GORDON CREEK NE-32-13-8

Casing Schematic



Well name:	43007502450000 GORDON CREEK NE-32-13-8	
Operator:	GORDON CREEK, LLC	
String type:	Surface	Project ID: 43-007-50245
Location:	CARBON	COUNTY

Design parameters:**Collapse**

Mud weight: 8.700 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 80 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 396 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 450 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 391 ft

Non-directional string.**Re subsequent strings:**

Next setting depth: 4,401 ft
Next mud weight: 10.000 ppg
Next setting BHP: 2,286 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 450 ft
Injection pressure: 450 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	450	8.625	24.00	J-55	ST&C	450	450	7.972	2317
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	203	1370	6.736	450	2950	6.56	10.8	244	22.59 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801-538-5357
FAX: 801-359-3940

Date: October 5, 2011
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 450 ft, a mud weight of 8.7 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	43007502450000 GORDON CREEK NE-32-13-8	
Operator:	GORDON CREEK, LLC	
String type:	Production	Project ID: 43-007-50245
Location:	CARBON COUNTY	

Design parameters:**Collapse**

Mud weight: 10.000 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 136 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 438 ft

Burst

Max anticipated surface pressure: 1,318 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 2,286 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Non-directional string.

Tension is based on air weight.

Neutral point: 3,734 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	4401	5.5	17.00	N-80	LT&C	4401	4401	4.767	24805
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	2286	6290	2.751	2286	7740	3.39	74.8	348	4.65 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: October 5, 2011
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 4401 ft, a mud weight of 10 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.



State of Utah

GARY R. HERBERT
Governor

GREG BELL
*Lieutenant
Governor*

Office of the Governor
PUBLIC LANDS POLICY COORDINATION

JOHN HARJA
Director

October 17, 2011

Diana Mason
Petroleum Specialist
Department of Natural Resources, Division of Oil Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

Subject: Application for Permit to Drill; Gordon Creek
Carbon County; Section 32, Township 13.0S, Range 8.0E
RDCC Project Number 28882

Dear Ms. Mason:

The State of Utah, through the Public Lands Policy Coordination Office (PLPCO), has reviewed this project. Utah Code (Section 63J-4-601, *et. seq.*) designates PLPCO as the entity responsible to coordinate the review of technical and policy actions that may affect the physical resources of the state, and to facilitate the exchange of information on those actions among federal, state, and local government agencies. As part of this process, PLPCO makes use of the Resource Development Coordinating Committee (RDCC). The RDCC includes representatives from the state agencies that are generally involved or impacted by public lands management.

Division of Air Quality

Because fugitive dust may be generated during soil disturbance, the proposed project will be subject to Air Quality rule R307-205-5 for Fugitive Dust. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules can be found at www.rules.utah.gov/publicat/code/r307/r307.htm.

The state encourages the use of Best Management Processes (BMP s) in protecting air quality in Utah. The state recommends the following BMP s as standard operating procedures:

RECEIVED: October 19, 2011

Diana Mason
October 17, 2011
Page -2-

- 1) Emission Standards for Stationary Internal Combustion Engines of 2 g/bhp-hr of NOx for engines less than 300 HP (Tier 3) and 1 g/bhp-hr of NOx for engines over 300 HP (Tier 3).
- 2) No or low bleed controllers for Pneumatic Pumps, Actuators and other Pneumatic devices.
- 3) Green completion or controlled VOC emissions methods with 90% efficiency for Oil or Gas Atmospheric Storage Tanks, VOC Venting controls or flaring. Glycol Dehydration and Amine Units Units, VOC Venting controls or flaring, Well Completion, Re-Completion, Venting, and Planned Blowdown Emissions.

If compressors or pump stations are constructed at the site a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to R307-401: Permit: Notice of Intent and Approval Order, of the Utah Air Quality Rules. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm.

The State of Utah appreciates the opportunity to review this proposal and we look forward to working with you on future projects. Please direct any other written questions regarding this correspondence to the Public Lands Policy Coordination Office at the address below, or call Judy Edwards at (801) 537-9023.

Sincerely,



John Harja
Director

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator	GORDON CREEK, LLC						
Well Name	GORDON CREEK NE-32-13-8						
API Number	43007502450000	APD No	4697	Field/Unit	WILDCAT		
Location: 1/4,1/4	SWNE	Sec	32	Tw	13.0S	Rng	8.0E 1580 FNL 2398 FEL
GPS Coord (UTM)				Surface Owner	Mark Jacobs		

Participants

M. Jones (UDOGM), B. Brumwell, S. Lessar, L. Williams, (Thunderbird), A. Childs, M. Childs (Talon), Jim Jacobs (surface ownership).

Regional/Local Setting & Topography

This proposed well is staked west of the Consumers area in Carbon County, Utah. The site is in the Trail Canyon drainage north and west of the Gordon Creek Compressor site approximately .3 miles, owned and operated by Gordon Creek, LLC or Thunderbird Energy. The immediate setting is relatively flat, slightly sloped to the southeast and dominated by sagebrush with pinion juniper trees in the surrounding environment. To the direct west the Wasatch Plateau rises dramatically.

Surface Use Plan

Current Surface Use

Grazing
Wildlife Habitat

New Road Miles	Well Pad	Src Const Material	Surface Formation
0.06	Width 210 Length 285	Onsite	

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

sagebrush, grasses, pinion juniper.

Soil Type and Characteristics

clay loam

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required? Y

Divert drainages around and away from location and access road.

Berm Required? Y

Berm location to prevent spills from leaving location.

Erosion Sedimentation Control Required? N**Paleo Survey Run?** N **Paleo Potential Observed?** N **Cultural Survey Run?** N **Cultural Resources?** N**Reserve Pit****Site-Specific Factors****Site Ranking**

Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	>1320	0
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	10 to 20	5
Affected Populations		
Presence Nearby Utility Conduits	Present	15
Final Score		35

1 Sensitivity Level

Characteristics / Requirements

Dugout earthen 100 x 50 x 10.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** N**Other Observations / Comments**Mark Jones
Evaluator10/4/2011
Date / Time

Application for Permit to Drill Statement of Basis

11/30/2011

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
4697	43007502450000	LOCKED	GW	P	No
Operator	GORDON CREEK, LLC		Surface Owner-APD	Mark Jacobs	
Well Name	GORDON CREEK NE-32-13-8		Unit		
Field	WILDCAT		Type of Work	DRILL	
Location	SWNE 32 13S 8E S 1580 FNL 2398 FEL GPS Coord (UTM)		495700E	4389443N	

Geologic Statement of Basis

Tunderbird Energy proposes to drill the well to a total depth of 4,401' and plans to set surface casing from 0'-450'. The surface string will be drilled using air unless hole conditons require the need to "mud-up" with water and gel chem. Within a 10,000 foot radius of the center of section 32, there are 44 filed water rights, however, only one is a subsurface groundwater right. Gordon Creek, LLC, has applied to drill a water-well to produce 4 acre-feet of water for oil & gas field operations. This location is within a small north-south trending graben valley. The poorly permeable silty soil has been formed from the erosion of the Upper Blue Gate Member of the Mancos Shale. Several units of the Emery Sandstone Member of the Mancos Shale are present at the near surface or within the subsurface, these strata should be included within the interval to be protected by the surface casing string. The operator should be informed of the likelihood of these units being water saturated and to respond to protecting these zones by extending the surface casing as necessary. Proposed surface casing and cement should adequately isolate any shallow zones containing water.

Ammon McDonald
APD Evaluator

10/13/2011
Date / Time

Surface Statement of Basis

This proposed well is staked west of the Consumers area in Carbon County, Utah. The site is in the Trail Canyon drainage north and west of the Gordon Creek Compressor site approximately .3 miles, owned and operated by Gordon Creek, LLC or Thunderbird Energy. The immediate setting is relatively flat, slightly sloped to the southeast and dominated by sagebrush with pinion juniper trees in the surrounding environment. To the direct west the Wasatch Plateau rises dramatically. The location should be bermed to prevent spills from leaving the confines of the pad. Fencing around the reserve pit will be necessary once the well is drilled to prevent wildlife and livestock from becoming a problem. Drainages should be diverted around and away from wellpad and access road. A synthetic liner of 16 mils (minimum) should be utilized in the reserve pit. The access was discussed during the pre-site. It is recommended by the Division that the access should take off of the main access trunk at 90 degree angle to allow traffic to utilize the main access to the westerly wells better. It is also noted that a large Questar distribution line and a Rocky Mountain Power distribution line will both be crossed with the access onto this proposed pad. It was also recommended by the Division that these two utility ROW's be crossed perpendicular to the ROW. The access point onto the pad was also discussed as to rig and equipment accessing the pad at the optimum point. There may be some disturbance during construction activities that are outside of the permitted pad boundaries to create cut and fill slopes, to create diversion ditches as discussed during the pre-site meetings, and to store topsoil and spoils as indicated on the drawings. Any of this activity should be kept to a very minimum. All other surface operations must remain within permitted pad boundaries.

Mark Jones
Onsite Evaluator

10/4/2011
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
----------	-----------

RECEIVED: November 30, 2011

Application for Permit to Drill Statement of Basis

11/30/2011

Utah Division of Oil, Gas and Mining

Page 2

Pits	A synthetic liner with a minimum thickness of 16 mils shall be properly installed and maintained in the reserve pit.
Surface	The well site shall be bermed to prevent fluids from leaving the pad.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.
Surface	The reserve pit shall be fenced upon completion of drilling operations.
Surface	Surface operations must remain within permitted pad boundaries.

CONFIDENTIAL

RECEIVED: November 30, 2011

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 9/26/2011**WELL NAME:** GORDON CREEK NE-32-13-8**OPERATOR:** GORDON CREEK, LLC (N3245)**CONTACT:** Barry Brumwell**API NO. ASSIGNED:** 43007502450000**PHONE NUMBER:** 403 453-1608**PROPOSED LOCATION:** SWNE 32 130S 080E**SURFACE:** 1580 FNL 2398 FEL**BOTTOM:** 1580 FNL 2398 FEL**COUNTY:** CARBON**LATITUDE:** 39.65478**UTM SURF EASTINGS:** 495700.00**FIELD NAME:** WILDCAT**LEASE TYPE:** 4 - Fee**LEASE NUMBER:** Sec 31+32 Fee Lease**SURFACE OWNER:** 4 - Fee**Permit Tech Review:** ☒**Engineering Review:** ☒**Geology Review:** ☒**LONGITUDE:** -111.05012**NORTHINGS:** 4389443.00**PROPOSED PRODUCING FORMATION(S):** FERRON SANDSTONE**COALBED METHANE:** NO**RECEIVED AND/OR REVIEWED:**

- ☒ **PLAT**
- ☒ **Bond:** STATE - RLB0010790
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ☒ **Water Permit:** 91-5193
- ☒ **RDCC Review:** 2011-11-23 00:00:00.0
- ☒ **Fee Surface Agreement**
- ☐ **Intent to Commingle**
- Commingling Approved**

LOCATION AND SITING:

- ☐ **R649-2-3.**
- Unit:**
- ☐ **R649-3-2. General**
- ☒ **R649-3-3. Exception**
- ☒ **Drilling Unit**
- Board Cause No:** R649-3-3
- Effective Date:**
- Siting:**
- ☐ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations:

- 1 - Exception Location - dmason
- 5 - Statement of Basis - bhill
- 21 - RDCC - dmason
- 23 - Spacing - dmason
- 27 - Other - bhill

RECEIVED: November 30, 2011



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: GORDON CREEK NE-32-13-8

API Well Number: 43007502450000

Lease Number: Sec 31+32 Fee Lease

Surface Owner: FEE (PRIVATE)

Approval Date: 11/30/2011

Issued to:

GORDON CREEK, LLC, 1179 E Main #345, Price, UT 84501

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-3. The expected producing formation or pool is the FERRON SANDSTONE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Exception Location:

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

The Application for Permit to Drill has been forwarded to the Resource Development Coordinating Committee for review of this action. The operator will be required to comply with any applicable recommendations resulting from this review. (See attached)

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Surface casing shall be extended to a sufficient depth in order to contain water flows as seen in the Gordon Creek ST SE-7-14-8 well.

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan – contact Dustin Doucet
- Significant plug back of the well – contact Dustin Doucet
- Plug and abandonment of the well – contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <http://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

Approved By:

API Well No: 43007502450000

Approved by:

A handwritten signature in black ink, appearing to read "J. Rogers", written in a cursive style.

For John Rogers
Associate Director, Oil & Gas

CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: SEC 31 + 32 FEE LEASE
2. NAME OF OPERATOR: GORDON CREEK, LLC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR: 1179 E. MAIN #345 PRICE UT 84501		7. UNIT or CA AGREEMENT NAME
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1580' FNL, 2398' FEL		8. WELL NAME and NUMBER: GORDON CREEK NE-32-13-8
5. PHONE NUMBER: (435) 820-1489		9. API NUMBER: 4300750245
6. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 32 13 8 S		10. FIELD AND POOL OR WILDCAT: WILDCAT
7. COUNTY: CARBON		8. STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER <u>SPUD NOTICE</u>
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 1/12/2012			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

17" HOLE SPUDDED AT 13:00 HRS 1/13/2012 AND DRILLED TO 41'. 12 3/4' PIPE WAS SET AT 41' AND CEMENTED FULL LENGTH.

NAME (PLEASE PRINT) BARRY BRUMWELL, C.E.T.	TITLE VICE PRESIDENT of OPERATIONS
SIGNATURE	DATE 1/19/2012

(This space for State use only)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: GORDON CREEK, LLC.
Address: 1179 EAST MAIN, #345
city PRICE
state UT zip 84501

Operator Account Number: N 3245
Phone Number: (435) 820-1489

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300750247	GORDON CREEK SE-32-13-8		NWSE	32	13 _s	8 _e	CARBON
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	999999	18388	1/13/2012		1/31/12		
Comments: 17" HOLE SPUDED AT 09:00 HRS 1/13/2012 AND DRILLED TO 44'. 12 3/4" PIPE SET AT 44' AND CEMENTED FULL LENGTH. <div style="display: flex; justify-content: space-between;"> FRSD CONFIDENTIAL </div>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300750244	GORDON CREEK NW-32-13-8		NWNW	32	13 _s	8 _e	CARBON
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	999999	18389	1/13/2012		1/31/12		
Comments: 17" HOLE SPUDED AT 11:30 HRS 1/13/2012 AND DRILLED TO 44'. 12 3/4" PIPE SET AT 44' AND CEMENTED FULL LENGTH. <div style="display: flex; justify-content: space-between;"> FRSD CONFIDENTIAL </div>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300750245	GORDON CREEK NE-32-13-8		SWNE	32	13 _s	8 _e	CARBON
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	999999	18390	1/13/2012		1/31/12		
Comments: 17" HOLE SPUDED AT 13:00 HRS 1/13/2012 AND DRILLED TO 41'. 12 3/4" PIPE SET AT 41' AND CEMENTED FULL LENGTH. <div style="display: flex; justify-content: space-between;"> FRSD CONFIDENTIAL </div>							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

BARRY BRUMWELL, C.E.T.

Name (Please Print)

Signature 

VP of OPERATIONS

Title

1/19/2012

Date

RECEIVED

JAN 19 2012

DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: GORDON CREEK, LLC		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 1179 E Main #345, Price, UT, 84501		8. WELL NAME and NUMBER: GORDON CREEK NE-32-13-8
PHONE NUMBER: 403 453-1608 Ext		9. API NUMBER: 43007502450000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1580 FNL 2398 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 32 Township: 13.0S Range: 08.0E Meridian: S		9. FIELD and POOL or WILDCAT: WILDCAT
		COUNTY: CARBON
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 7/5/2012	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input checked="" type="checkbox"/> OTHER	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> APD EXTENSION OTHER: RUN CASED HOLE LOGS	
<input type="checkbox"/> SPUD REPORT Date of Spud:		
<input type="checkbox"/> DRILLING REPORT Report Date:		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
ONCE THE AREA FOREST FIRES HAVE SUBSIDED AND WE ARE ALLOWED ONTO LOCATION, THE INTENT OF THIS SUNDRY NOTICE IS TO MOVE AN ELECTRIC WIRELINE UNIT ONTO THE WELL AND RUN A CASED HOLE GE-CBL-CCL LOG FROM TOTAL DEPTH TO SURFACE CASING, AND ALSO PRESSURE TEST THE 5 1/2" PRODUCTION CASING TO 3,000 psi. WE WOULD THEN SUSPEND OPERATIONS UNTIL PERFORATING AND STIMULATION OPERATIONS ARE PLANNED & PREPARED, WHICH WOULD BE DONE UNDER THE COVER OF A SEPARATE SUNDRY NOTICE.		
Approved by the Utah Division of Oil, Gas and Mining Date: July 12, 2012 By: <u><i>Derek Duff</i></u>		
NAME (PLEASE PRINT) Barry Brumwell	PHONE NUMBER 403 453-1608	TITLE Vice President-Operations
SIGNATURE N/A	DATE 6/29/2012	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: GORDON CREEK NE-32-13-8	
2. NAME OF OPERATOR: GORDON CREEK, LLC	9. API NUMBER: 43007502450000	
3. ADDRESS OF OPERATOR: 1179 E Main #345 , Price, UT, 84501	PHONE NUMBER: 403 453-1608 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1580 FNL 2398 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 32 Township: 13.0S Range: 08.0E Meridian: S		COUNTY: CARBON
		STATE: UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE	
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 2/16/2012	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Executive Summary and Drilling Reports attached.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 August 22, 2012

NAME (PLEASE PRINT) Barry Brumwell	PHONE NUMBER 403 453-1608	TITLE Vice President-Operations
SIGNATURE N/A		DATE 8/22/2012

EXECUTIVE SUMMARY REPORT

WELL:	GORDON CREEK NE-32-13-8	API #:	4300750245
COUNTY:	CARBON COUNTY, UTAH	SPUD:	13:00 HRS, 01/13/2012
OBJECTIVE:	To drill & complete a Ferron Gas well	R.R.:	06:00 HRS, 02/16/2012
RIG CONTRACTOR:	CapStar Drilling		

BIT INFORMATION:

TYPE	SIZE (inches)	DEPTH IN (ft)	DEPTH OUT (ft)	ROT. HOURS	TOTAL HOURS
UNKNOWN	17	0	41	UNKNOWN	UNKNOWN
PDC	11	41	777	8.5	8.5
HAMMER BIT	7 7/8	777	796	2	10.5
PDC	7 7/8	796	4407	186	194.5

CONDUCTOR CASING:

HOLE SIZE:	17	CONDUCTOR SET FROM:	0'	to	41'
-------------------	----	----------------------------	----	----	-----

The 12 3/4" conductor pipe was run to 41' and cemented full length.

SURFACE CASING:

HOLE SIZE:	11"	SURFACE CASING FROM:	0'	to	777'
-------------------	-----	-----------------------------	----	----	------

Ran a total of 15 joints of 8 5/8", 24 #/ft, J-55, ST&C casing landed at 679.25' KB. Cemented with 500 sks of premium G cement mixed at 15.7 ppg with 3% CaCl2 + 0.25 #/sk Superflake + 3 #/sk Super GR. No returns, plugs held OK. Top fill through " pipe with 200 sks of cement.

HOLE SIZE:	7 7/8"	PRODUCTION CASING FROM:	0'	to	4363.54'
-------------------	--------	--------------------------------	----	----	----------

Ran a total of 106 joints of 5 1/2", 17.0 #/ft, N-80, LT&C casing landed at 4,363.54' KB. Cemented with 565 sks of Class G cement at 10.7 ppg + 0.2% Air-Out + 40% Superballs + 1% Super FL-300 + 2% CaCl2 + 0.25 #/sk SuperFlake + 3% Super GR. Bumped plug, floats held, no returns at surface.

PLEASE REFER TO THE ATTACHED DRILLING REPORTS FOR SPECIFIC DAILY WELL INFORMATION



|WEI|NAME-

Thunderbird

LOCATION:

NE. 32-13-8

WELL API #:

43007502450000

COMPANY MAN:

Bo Stinson

REPORTING TO:

Barry Brumwell

CELLULAR #:

435-630-6344

PHONE #:

403-818-0696

SPUD DATE:

40921.54167

A.F.E. #:

\$14.980

R.R. DATE:

DAILY COST:

\$14.980

RIG COMPANY:

Cap Star

CUM. COST:

\$458.000

EST. T.D:

4401

AFE EST (D&A):

\$458,000 (D&C):

DRILLING ASSEMBLY				TIME DISTRIBUTION			
TOOL	OD	ID	LENGTH				
				MOVE RIG:	4 00	L.D.D.S.:	
				RIG TO SPUD:		LOGGING:	
				WELD ON BBL:		CEMENT:	
				RIG SERVICE:		WAIT MOVE	
				SURVEY:		WOC:	
				PRESSURE TEST:		RUN CSG:	
				DRILL:		DST:	
				HANDLE TOOLS:		TRIP:	
				CIRCULATE:		WAIT ON:	10.00
				NIPPLE DN BOP:		WELD BOWL	
				DRILL OUT:		DIR. WORK:	
				REAM:		PASON	
				SAFETY MEETING:		SLIP LINE:	
				STUCK & FISH:		WORK CON:	
				RIG DOWN TIME		Other	2 00
				Rig Out		Nipple Up	
				TOTAL HOURS:	16.00		
LAST CASING SUMMARY							
RAN	JTS	in	#/ft	GRADE		CONN.	
LANDED AT	ft KB.	TOTAL LENGTH	feet				
CEMENTED WITH							
PLUG DOWN AT		HRS. ON	WITH		ft3 CEMENT RETURNS.		
LOGS RUN							

REMARKS

6:00	14:00	No activity
14:00	18:00	MIR & equipment
18:00	20:00	Rig up and set equipment, started laying blow line white out blizzard, with 60+ MPH wind gust.
20:00	6:00	Down weather delay

Weather:



WELL NAME:

Thunderbird

LOCATION:

NE. 32-13-8

WELL API #:

43007502450000

COMPANY MAN:

Bo Stinson

REPORTING TO:

Barry Brumwell

CELLULAR #:

435-630-6344

PHONE #:

403-818-0696

SPUD DATE:

40921.54167

A.F.E. #:

\$18,500

R.R. DATE:

DAILY COST:

\$67,672

RIG COMPANY:

Cap Star

CUM. COST:

\$67.672

EST. T.D:

4401

AFE EST (D&A):

\$458,000

(D&C):

DRILLING ASSEMBLY				TIME DISTRIBUTION			
TOOL	OD	ID	LENGTH				
				MOVE RIG:	13.00	L.D.D.S.:	
				RIG TO SPUD:		LOGGING:	
				WELD ON BBL:		CEMENT:	
				RIG SERVICE:		WAIT MOVE	
				SURVEY:		WOC:	
				PRESSURE TEST:		RUN CSG:	
				DRILL:		DST:	
				HANDLE TOOLS:		TRIP:	
				CIRCULATE:		WAIT ON:	
				NIPPLE DN BOP:		WELD BOWL	
				DRILL OUT:		DIR. WORK:	
				REAM:		PASON	
				SAFETY MEETING:		SLIP LINE:	
				STUCK & FISH:		WORK CON:	
				RIG DOWN TIME		Other	
				Rig Out		Nipple Up	
				TOTAL HOURS:	13.00		
TOTAL					GRADE		CONN.
LAST CASING SUMMARY							
RAN	JTS	in	#/ft				
LANDED AT	ft KB.	TOTAL LENGTH	feet				
CEMENTED WITH							
PLUG DOWN AT	HRS. ON	WITH	ft3 CEMENT RETURNS.				
LOGS RUN							

REMARKS

6:00	8:00	No activity
8:00	19:00	Move in rig, Cap Star 311, spot up equipment and trailers

Weather:

GORDON CREEK, LLC

DAILY DRILLING REPORT



WELL NAME:

Thunderbird

LOCATION:

NE, 32-13-8

WELL API #:

43007502450000

COMPANY MAN:

Bo Stinson

REPORTING TO:

Barry Brumwell

CELLULAR #:

435-630-6344

PHONE #:

403-818-0696

SPUD DATE:

40921.54167

A.F.E. #:

9310

R.R. DATE:

DAILY COST:

\$28,400

RIG COMPANY:

Cap Star

CUM. COST:

\$96,072

EST. T.D:

4401

AFE EST (D&A):

\$458,000

(D&C):

	DAY:	5	REPORT DATE		30-Jan-12	STATUS 06:00		RU, set to test BOP			
	DEPTH:	777	PROG:		KB:	7469.30	GL:	7469.30			
	SURVEYS:										
	MUD TYPE:		WT:		VISC:		WL:		PH:		FC:
	ADDITIVES:										
BIT #	SERIAL #	SIZE	MFG	TYPE	JETS	WOB	RPM	FEET DRLD	HOURS	ROP	GRADE
	PUMP	DESCR.	LINER	STK	SPM	RATE	PRESS	AV DC	AV DP	NOZZLE VEL	

DRILLING ASSEMBLY

TOOL OD ID LENGTH

Air hammer & cylinder

6-DC

TIME DISTRIBUTION

MOVE RIG: 9.00 L.D.D.S.:

RIG TO SPUD: LOGGING:

WELD ON BBL: CEMENT:

RIG SERVICE: WAIT MOVE

SURVEY: WOC:

PRESSURE TEST: 5.00 RUN CSG:

DRILL: DST:

HANDLE TOOLS: TRIP: 2.00

CIRCULATE: WAIT ON: 2.00

NIPPLE DN BOP: WELD BOWL

DRILL OUT: DIR. WORK:

REAM: PASON

SAFETY MEETING: SLIP LINE: 2.00

STUCK & FISH: WORK CON:

RIG DOWN TIME Other: 4.00

Rig Out Nipple Up

TOTAL HOURS: 24.00 GRADE

#/ft

feet

ft3 CEMENT RETURNS.

LAST CASING SUMMARY

RAN JTS In #/ft GRADE CONN.

LANDED AT ft KB. TOTAL LENGTH feet

CEMENTED WITH HRS. ON WITH ft3 CEMENT RETURNS.

PLUG DOWN AT

LOGS RUN

REMARKS

6:00 7:00 No Activity
 7:00 17:00 Rig up and prepe for BOP test
 17:00 22:00 Tested BOP, rig down testers,
 22:00 24:00 waiting on air hammers to arrive.
 0:00 2:00 rig up blow lines, pressure test air pack lines.
 2:00 4:00 prep to RIH, picked up air hammer
 4:00 6:00 TIH to tag cement in surface casing

Weather: clear and cold





WELL NAME:	Thunderbird	LOCATION:	NE, 32-13-8
		WELL API #:	43007502450000
COMPANY MAN:	Bo Stinson	REPORTING TO:	Barry Brumwell
CELLULAR #:	435-630-6344	PHONE #:	403-818-0696
SPUD DATE:	40921.54167	A.F.E. #:	
R.R. DATE:		DAILY COST:	\$20,086
RIG COMPANY:	Cap Star	CUM. COST:	\$234,665
EST. T.D:	4401	A/E EST (D&A):	\$458,000 (D&C):

DRILLING ASSEMBLY				TIME DISTRIBUTION			
TOOL	OD	ID	LENGTH				
PDC bit	7 7/8"	2"	0.70	MOVE RIG:		L.D.D.S.:	
6-DC	6"	2 1/4"	180'	RIG TO SPUD:		LOGGING:	
				WELD ON BBL:		CEMENT:	
				RIG SERVICE:	1.50	WAIT MOVE	
				SURVEY:		WOC:	
				PRESSURE TEST:		RUN CSG:	
				DRILL:	22.50	DST:	
				HANDLE TOOLS:		TRIP:	
				CIRCULATE:		WAIT ON:	
				NIPPLE DN BOP:		WELD BOWL	
				DRILL OUT:		DIR. WORK:	
				REAM:		PASON	
				SAFETY MEETING:		SLIP LINE:	
				STUCK & FISH:		WORK CON:	
				RIG DOWN TIME		Other	
				Rig Out		Nipple Up	
				TOTAL HOURS:	24.00		
TOTAL			0.70				

LAST CASING SUMMARY				TIME DISTRIBUTION			
RAN	JTS	in	#/ft	GRADE	CONN.		
LANDED AT	ft KB.	TOTAL LENGTH	feet				
CEMENTED WITH							
PLUG DOWN AT		HRS. ON	WITH	ft3 CEMENT RETURNS.			
LOGS RUN							

REMARKS

6:00	11:30	survey @ 1719', @ 5.11 degree, drilled from 1749' to 1871'
11:30	14:30	drilled from 1871' to 1966'
14:30	16:00	rig service
16:00	18:00	drilled from 1966' to 2029'
18:00	18:30	survey @ 1996', 4.15 degree
18:30	23:30	drilled from 2029' to 2154'
23:30	3:00	drilled from 2154' to 2217'
3:00	6:00	survey @ 2186', 3.29 degree, drilled from 2217' to 2301'

Weather:





GORDON CREEK, LLC

DAILY DRILLING REPORT

WELL NAME:

Thunderbird

LOCATION:

NE, 32-13-8

WELL API #:

43007502450000

COMPANY MAN:

Bo Stinson

REPORTING TO:

Barry Brumwell

CELLULAR #:

435-630-6344

PHONE #:

403-818-0696

SPUD DATE:

40921.54167

A.F.E. #:

R.R. DATE:

Abstract

DAILY COST:

\$22.350

RIG COMPANY:

Cap Star

CUM. COST:

\$334,089

EST. T.D:

4400

AFE EST (D&A):

\$458,000

(D&C):

[illegible]

DRILLING ASSEMBLY

<u>TOOL</u>	<u>OD</u>	<u>ID</u>	<u>LENGTH</u>
PDC	7 7/8"	2"	0.70
6-DC	6"	2 1/4"	180.00
TOTAL			180.70

LAST CASING SUMMARY

LANDED AT	_____	JTS	_____	in
CEMENTED WITH	_____	ft KB.	_____	TOTAL LENGTH
PLUG DOWN AT	_____		HRS. ON	_____
LOGS RUN	_____			_____

TIME DISTRIBUTION

TIME ESTIMATION		
MOVE RIG:		L.D.D.S.:
RIG TO SPUD:		LOGGING:
WELD ON BBL:		CEMENT:
RIG SERVICE:	0.50	WAIT MOVE
SURVEY:	0.50	WOC:
PRESSURE TEST:		RUN CSG:
DRILL:	12.50	DST:
HANDLE TOOLS:		TRIP:
CIRCULATE:	5.50	WAIT ON:
NIPPLE DN BOP:		WELD BOWL
DRILL OUT:		DIR. WORK:
REAM:		PASON
SAFETY MEETING:		SLIP LINE:
STUCK & FISH:		WORK CON:
RIG DOWN TIME		Other
Rig Out		Nipple Up

TOTAL HOURS: 24.00

#/ft GRADE CONN.

feet

#3 CEMENT RETURNS.

REMARKS

6:00	13:00	drilled from 4191' to 4279', ROP slow
13:00	13:30	rig service
13:30	19:00	drilled from 4279' to 4407' TD
19:00	19:30	survey @ 4384', 3.84 degree
19:30	1:00	pumped down pits, well circulating fluid, could not pull down reserve pit, mixed 2% KCL. And displaced hole
1:00	3:30	short trip to 3575', TIH clean run
3:30	6:00	POOH to log well

Weather:



DAILY DRILLING REPORT



Bo Stinson

435-630-6344

40921.54167

This document contains confidential information and is intended only for the individual named.

Cap Star

4400

NE, 32-13-8

43007502450000

Barry Brumwell

403-818-0696

9310

\$26,850

\$360,939

\$458,000

(D&C):

DRILLING ASSEMBLY				TIME DISTRIBUTION	
TOOL	OD	ID	LENGTH		
				MOVE RIG:	L.D.D.S.:
				RIG TO SPUD:	LOGGING:
				WELD ON BBL:	CEMENT:
				RIG SERVICE:	WAIT MOVE
				SURVEY:	WOC:
				PRESSURE TEST:	RUN CSG:
				DRILL:	DST:
				HANDLE TOOLS:	TRIP:
				CIRCULATE:	WAIT ON:
				NIPPLE DN BOP:	WELD BOWL
				DRILL OUT:	DIR. WORK:
				REAM:	PASON
				SAFETY MEETING:	SLIP LINE:
				STUCK & FISH:	WORK CON:
				RIG DOWN TIME	Other
				Rig Out	Nipple Up
				TOTAL HOURS:	24.00
					GRADE
					CONN.
TOTAL					

LAST CASING SUMMARY				TIME DISTRIBUTION	
RAN	JTS	In	#/ft	GRADE	CONN.
LANDED AT	ft KB.	TOTAL LENGTH	feet		
CEMENTED WITH		HRS. ON	WITH	ft3 CEMENT RETURNS.	
PLUG DOWN AT					
LOGS RUN					

open hole log, Dual Induction Guard log, Compensated Density, Compensated Neutron, Gamma Ray, (Triple Combo)

REMARKS

8:00	8:00	TOOH continued
8:00	11:30	spot & rig up loggers, logged well, with triple comb log.
11:30	12:30	rig down loggers and released
12:30	17:00	RIH with drill pipe
17:00	19:00	stuck , circulated free, cir. Hole for 1 1/2 hrs.
19:00	1:30	TOOH, laying down,
1:30	2:30	change out pipe ram blocks to 5 1/2",
2:30	6:00	set up & prep to run casing.

Weather: cold and clear



Thunderbird

NE, 32-13-8

43007502450000

Bo Stinson

435-630-6344

40921.54167

40948 90

Cap Star

4400

Barry Brumwell

403-818-0696

9310

\$162,375

\$523.314

\$458,000

(D&C):

DRILLING ASSEMBLY

TOOL	OD	ID	LENGTH

REMARKS

6:00	12:00	Rih with casing, 106 total jts of 5.5", 17#, N-80, landed at 4363.54'.
12:00	14:00	moved pipe & racks to spot in cement truck.
14:00	17:00	rig up cements, safety meeting, tested lines to 2200#, pumped 20 H2O, 40 bbl. Gell sweep @ 9.0 PPG., pumped 565 sks. Of premium Class G @ 10.7 PPG. With super ball, lift pressure up to 480#, no returns to surface.
17:00	21:30	clean pits and prep to rig down. (released rig @ 21:30)
21:30	6:00	rig down and move.

Weather: cold and clear

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: GORDON CREEK, LLC		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 1179 E Main #345, Price, UT, 84501		8. WELL NAME and NUMBER: GORDON CREEK NE-32-13-8
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1580 FNL 2398 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 32 Township: 13.0S Range: 08.0E Meridian: S		9. API NUMBER: 43007502450000
PHONE NUMBER: 403 453-1608 Ext		9. FIELD and POOL or WILDCAT: WILDCAT
COUNTY: CARBON		STATE: UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/4/2012	<input checked="" type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input checked="" type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:
<input type="checkbox"/> SPUD REPORT Date of Spud:				
<input type="checkbox"/> DRILLING REPORT Report Date:				
			OTHER: Perforate Ferron Formation	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

We plan to perf the Lower Ferron 4118'-4132', 4081'-4086', 4058'-4064', 4049'-4054' 4032'-4034' & 4026'4028', then acidize/frac the Lower Ferron perfs with a 52.5 T treatment. Then set a WR plug at +/- 4015'. Then perf the Upper Ferron 4003'-4009', 3990'-3993', 3982'-3986', 3976'-3978', 3970'-3972', 3963'-3965', 3914'-3920', 3902'-3907' & 3896'-3898', then acidize/frac the Upper Ferron perfs with a 49.4 T fracture treatment. Then flow back all zones on clean up before moving on W/O rig to RIH & pull all WR plugs, then run tbg, pump & rods. Then install pumpjack and place well on production as a Ferron Gas Well.

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: August 27, 2012

By: *D. K. Duff*

NAME (PLEASE PRINT) Barry Brumwell	PHONE NUMBER 403 453-1608	TITLE Vice President-Operations
SIGNATURE N/A	DATE 8/21/2012	

RECEIVED: Aug. 21, 2012

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: GORDON CREEK, LLC		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 1179 E Main #345 , Price, UT, 84501		8. WELL NAME and NUMBER: GORDON CREEK NE-32-13-8
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1580 FNL 2398 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 32 Township: 13.0S Range: 08.0E Meridian: S		9. API NUMBER: 43007502450000
PHONE NUMBER: 403 453-1608 Ext		9. FIELD and POOL or WILDCAT: WILDCAT
COUNTY: CARBON		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 6/30/2012	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> CHANGE WELL NAME	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input checked="" type="checkbox"/> OTHER	
	OTHER: <input type="text" value="No Activity"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. There was NO activity on this well from Drilling Rig Release Date (06:00 02/16/2012) until June 30, 2012. The well was cased with 5 1/2" production casing to 4,363.54' KB and is sitting as a cased Potential Ferron Gas Well.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 28, 2012		
NAME (PLEASE PRINT) Barry Brumwell	PHONE NUMBER 403 453-1608	TITLE Vice President-Operations
SIGNATURE N/A	DATE 8/27/2012	

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

AMENDED REPORT ☐ FORM 8
(high changes)
5. BASE DESIGNATION IN SERIAL NUMBER:

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER _____

b. TYPE OF WORK: NEW WELL ☐ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER _____

2. NAME OF OPERATOR: GORDON CREEK, LLC.

3. ADDRESS OF OPERATOR: 1179 E. MAIN, #345 CITY PRICE STATE UT ZIP 84501 DIV. OF OIL, GAS & MINING PHONE NUMBER: (403) 483-1868

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1580.48' FNL & 2598.30' FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW: 1827.43' FNL & 2535.99' FEL
AT TOTAL DEPTH: 1842 2513 1843.97' FNL & 2510.33' FEL BHL by HSM

6. IF INDIAN, ALLOTEE OR TRIBE NAME _____

7. UNIT or CA AGREEMENT NAME _____

8. WELL NAME and NUMBER: GORDON CREEK NE-32-13-8

9. API NUMBER: 4300750245

10. FIELD AND POOL, OR WILDCAT WILDCAT

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 32 13S 8 E X

12. COUNTY CARBON 13. STATE UTAH

14. DATE SPUDDED: 1/13/2012 15. DATE T.D. REACHED: 2/7/2012 16. DATE COMPLETED: 10/12/2012 ABANDONED ☐ READY TO PRODUCE ☒

17. ELEVATIONS (DF, RKB, RT, GL): RKB = 7477'

18. TOTAL DEPTH: MD 4,407 TVD 4,395 19. PLUG BACK T.D.: MD 4,364 TVD 4,352 20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CD/CN/GR, DIL/GUARD LOG/GR, DI/CD/CN/GR, CBL/CCL/GR

23. WAS WELL CORED? NO ☒ YES ☐ (Submit analysis)
WAS DST RUN? NO ☒ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☐ YES ☒ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
17"	12.75		0	41				0 CIR	
11"	8.625 J55	24	0	688		G 700		0 CIR	
7.875"	5.500 N80	17	0	3,752		G 565		3770 CBL	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2.375"	4,196							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) FERRON	3,894	4,303	3,883	4,290	3,896 4,132	0.56	342	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
3896-4009 (MULTI INTS)	SLICKWATER BORATE FRAC w/ 46,011 # OF 20/40 WHITE & 70,906 # OF 16/30 WHITE
4027-4132 (MULTI INTS)	SLICKWATER BORATE FRAC w/ 37,529 # OF 20/40 WHITE & 76,994 # OF 16/30 WHITE

29. ENCLOSED ATTACHMENTS:

- ☒ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☒ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER: COMP RPTS/PERFS

30. WELL STATUS:

SHUT IN

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:	

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:	

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:	

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:	

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
FERRON	3,894	4,303	SANDSTONES AND COALS	Lower Bluegate Bentonite Mkr Upper Ferron Marine SS Ferron SS Ferron Basal Marine Tununk Shale	3,811 3,894 3,956 4,134 4,303

35. ADDITIONAL REMARKS (Include plugging procedure)

PLEASE SEE ATTACHMENT FOR COMPLETE PERF. INTERVALS, UNABLE TO FIT ALL INTERVALS ON THIS FORM.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) BARRY BRUMWELL, C.E.T.TITLE VICE PRESIDENT of OPERATIONSSIGNATURE DATE 11/8/2012

This report must be submitted within 30 days of

- completing or plugging a new well
- reentering a previously plugged and abandoned well
- drilling horizontal laterals from an existing well bore
- significantly deepening an existing well bore below the previous bottom-hole depth
- recompleting to a different producing formation
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

To Whom It May Concern;

<i>The well GORDON CREEK NE-32-13-8 was perforated and stimulated with the following intervals:</i>		
<i>STAGE #2</i>	3896 - 3898	FRACTURE STIMULATED WITH A SLICKWATER BORATE FRAC with 46,011 # OF 20/40 WHITE SAND and 70,906 # OF 16/30 WHITE SAND.
	3904 - 3907	
	3917 - 3920	
	3963 - 3965	
	3970 - 3972	
	3976 - 3978	
	3982 - 3986	
	3990 - 3993	
	4003 - 4009	
<i>Stage #1</i>	4027 - 4028	FRACTURE STIMULATED WITH A SLICKWATER BORATE FRAC with 37,529 # OF 20/40 WHITE SAND and 76,994 # OF 16/30 WHITE SAND.
	4033 - 4034	
	4049 - 4052	
	4061 - 4064	
	4083 - 4086	
	4112 - 4117	
	4118 - 4132	
<i>IT WAS NOT POSSIBLE TO FIT ALL OF THIS INFORMATION ON FORM 8.</i>		

RECEIVED

NOV 13 2012

DIV. OF OIL, GAS & MINING

THUNDERBIRD

ENERGY

Gordon Creek, LLC.

Well Completion/Workover Report

Well Name: Gordon Creek NE-32-13-8				Todays Date: October 2, 2012			
Objective: PERF/FRAC 2 STAGES FERRON, RUN TBG, BHP/RODS				Day #: 1			
AFE #: 11CMP002		Daily Cost: \$154,344		Prev. Cost: \$8,000		Cummulative Cost: \$162,344	
Zones of Interest:							
Name:		Ferron		Perf Int.'s		Multiple	
Name:				Perf Int.'s			
Name:				Perf Int.'s			
Casing:				Rod String:			
	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Landed @</u>	<u>No. of</u>	<u>Size</u>	<u>Type</u>
Surface:	8 5/8"	24#	J-55	679.25			
Production:	5 1/2"	17#	N-80	4363.54			
Inter/Liner:	0	0	0	0			
Tubing:				Pump Description:			
	<u>Size</u>	<u>Weight</u>	<u>Landed @</u>	<u>PSN Depth</u>			
#1							
#2							
Depths:							
TD: 4407'		PBSD: 4385'					
Elevations:							
KB: 7477'		GL: 7469'		KB-GL: 8'		API #: 43-007-50245	
AM Pressures:		Tubing:		Casing:		SCV:	
24 Hour Summary: Frac 2 stages, perforate 2 zones, set one 5 1/2" Benoit Flow Thru WR Plug							

[illegible]

Fluid Record:		Oil	Water	AM Weather & Roads:	Contact Information:
Hauled in			Weather:	Supervisor:	Brad Pottebaum
Total Fluid :			Temp:	Cell #:	303-218-8278
Fluid Pumped In:			Lease:	Alt #:	0
Left to Recover			Roads:	Report to:	Barry Brumwell - Calgary Head Ofc.
Fluid Hauled Out			Rig Co:	Email to:	bbrumwell@thunderbirdenergy.com
Load Left to Recover:			Rig #:		

THUNDERBIRD
ENERGY

Gordon Creek, LLC.

Well Completion/Workover Report

[illegible]



Gordon Creek, LLC.

Well Completion/Workover Report

Well Name: Gordon Creek NE-32-13-8		Today's Date: October 10, 2012			
Objective: PERF/FRAC 2 STAGES FERRON, RUN TBG, BHP/RODS		Day #: 3			
AFE #: 11CMP002 Daily Cost: \$8,588 Prev. Cost: \$163,104		Cummulative Cost: \$171,692			
Zones of Interest:					
Name: _____		Perf Int.'s _____			
Name: _____		Perf Int.'s _____			
Name: _____		Perf Int.'s _____			
Casing:		Rod String:			
Size	Weight	Grade	Landed @		
Surface: 8 5/8"	24#	J-55	679.25		
Production: 5 1/2"	17#	N-80	4363.54		
Inter/Liner: 0	0	0	0		
Tubing:		Pump Description:			
Size	Weight	Landed @	PSN Depth		
#1 2.375	4.7	4196	4165		
#2					
Depths:					
TD: 4407'	PBTD: 4385'				
Elevations:					
KB: 7477'	GL: 7469'	KB-GL: 8'	API #: 43-007-50245		
AM Pressures:					
Tubing: 0	Casing: 0	SCV: 0			
24 Hour Summary: Pull plug and clean out to PBTD					
Operation at 0800 Hours: RIH with sand bailer and catch tool					
Time	Detailed Description of Previous Days Operations		Daily Cost Summary		
7:00	travel to location		Item Amount		
7:30	service rig, talley pipe, prep to rih with Bailer assembly		rig \$4,301		
9:30	TIH tagged sand at 4005'		Benoit \$2,867		
10:30	Tagged plug at 4015', worked loose		SWS \$1,000		
11:30	POOH to sand cavity		neilson \$420		
12:00	dumped sand and laid out plug, changed out bha to bail to PBTD				
12:30	Lunch				
13:00	rih with bailer assembly (27')				
14:00	rih tagged sand @ 4305'				
14:30	bailed 80' to PBTD @ 4385'				
16:00	POOH, laid out bailer, dumped ssand from cavity				
17:00	Rih with BHA, Notched collar, mud jt 32.41', 4' perf sub, SN 1.10', 147 Jts 2.375"				
18:00	landed tubing @ 4196', SN @ 4165', rig down floor, nipple down bop				
18:30	rig up to swab				
19:00	made 2 swab runs, fluid level @ 2000'				
19:30	SWIFN & SD				
			Daily Cost: \$8,588		
			Personnel On Location:		
			Rig: 4		
			Services: 2		
			G.C.L.L.C.: 1		
			Total: 7		
Fluid Record:		Oil	Water	AM Weather & Roads:	Contact Information:
Hauled in				Weather: cloudy	Supervisor: Brad Pottebaum
Total Fluid :				Temp: 61	Cell #: 303-218-8278
Fluid Pumped In:				Lease: ok	Alt #: 0
Left to Recover				Roads: ok	Report to: Barry Brumwell - Calgary Head Ofc.
Fluid Hauled Out				Rig Co: Pro well ser	Email to: bbrumwell@thunderbirdenergy.com
Load Left to Recover:				Rig #: #5	



Well Completion/Workover Report

Zones of Interest:	Name: _____	Perf Int's _____
	Name: _____	Perf Int's _____
	Name: _____	Perf Int's _____

Operation at 0800 Hours: swabbing

Fluid Record:		Oil	Water	AM Weather & Roads:	Contact Information:
Hauled in			0	Weather: cloudy/windy	Supervisor: Brad Pottebaum
Total Fluid :			216	Temp: 61	Cell #: 303-218-8278
Fluid Pumped In:				Lease: ok	Alt #: 0
Left to Recover				Roads: ok	Report to: Barry Brumwell - Calgary Head Ofc.
Fluid Hauled Out				Rig Co: Pro well ser	Email to: bbrumwell@thunderbirdenergy.com
Load Left to Recover:				Rig #: #5	

THUNDERBIRD
ENERGY

Gordon Creek, LLC.

Well Completion/Workover Report

[illegible]



Job Number: SVGJ-120749
 Company: Gordon Creek, LLC
 Lease/Well: Gordon Creek State NE-32-13-8
 Location: Carbon County, UT
 Rig Name: MS Wireline
 RKB: 0'
 G.L. or M.S.L.: GL

State/Country: Utah/USA
 Declination: 11.49°
 Grid: East To True North
 File name: F:\SURVEY\2012SU~1\GORDON~1\LORENZ\GORDON~1\NE32138.SVY
 Date/Time: 26-Jul-12 / 16:09
 Curve Name: Surface - 4350' M.D. (Rate Gyro)

WINSERVE SURVEY CALCULATIONS
 Minimum Curvature Method
 Vertical Section Plane .00
 Vertical Section Referenced to Wellhead
 Rectangular Coordinates Referenced to Wellhead

We hereby certify that our survey data from
 Surface MD to 4350 MD is, to the best of
 our knowledge a true and accurate account of
 the well bore.
 Scott Elias 7/26/12
 MS Energy Services Date

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	CLOSURE		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
100.00	.41	119.99	100.00	-.18	.31	-.18	.36	119.99	.41
200.00	1.31	111.60	199.99	-.78	1.68	-.78	1.85	114.83	.91
300.00	2.36	124.29	299.93	-2.36	4.45	-2.36	5.03	117.95	1.12
400.00	2.91	137.76	399.83	-5.40	7.85	-5.40	9.53	124.50	.82
500.00	3.75	148.26	499.66	-10.06	11.28	-10.06	15.11	131.72	1.03
600.00	5.18	161.46	599.36	-17.12	14.44	-17.12	22.40	139.86	1.75
700.00	5.88	157.12	698.89	-26.12	17.86	-26.12	31.64	145.63	.81
800.00	6.31	155.13	798.33	-35.83	22.17	-35.83	42.13	148.25	.48
900.00	6.64	157.00	897.69	-46.13	26.74	-46.13	53.32	149.91	.39

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
1000.00	6.52	155.70	997.03	-56.63	31.33	-56.63	64.72	151.04	.19
1100.00	6.63	158.90	1096.37	-67.19	35.75	-67.19	76.11	151.99	.38
1200.00	6.52	163.24	1195.72	-78.01	39.46	-78.01	87.42	153.17	.51
1300.00	6.44	160.36	1295.08	-88.73	42.98	-88.73	98.59	154.15	.33
1400.00	6.24	161.25	1394.46	-99.16	46.62	-99.16	109.57	154.82	.22
1500.00	5.97	161.61	1493.90	-109.24	50.00	-109.24	120.14	155.40	.27
1600.00	5.55	163.06	1593.39	-118.80	53.05	-118.80	130.11	155.94	.44
1700.00	5.15	164.60	1692.96	-127.75	55.65	-127.75	139.35	156.46	.42
1800.00	4.56	164.20	1792.60	-135.90	57.93	-135.90	147.74	156.91	.59
1900.00	4.53	167.40	1892.28	-143.58	59.87	-143.58	155.57	157.36	.26
2000.00	4.38	167.27	1991.98	-151.16	61.58	-151.16	163.22	157.84	.15
2100.00	4.07	169.38	2091.71	-158.38	63.07	-158.38	170.47	158.29	.35
2200.00	3.50	188.33	2191.49	-164.88	63.28	-164.88	176.61	159.00	1.37
2300.00	3.77	197.80	2291.29	-171.03	61.84	-171.03	181.87	160.12	.66
2400.00	5.27	209.21	2390.98	-178.17	58.59	-178.17	187.56	161.80	1.74
2500.00	4.54	207.48	2490.62	-185.69	54.52	-185.69	193.53	163.64	.74
2600.00	3.72	207.01	2590.36	-192.09	51.22	-192.09	198.81	165.07	.82
2700.00	3.20	207.72	2690.17	-197.46	48.45	-197.46	203.31	166.21	.52
2800.00	2.77	204.68	2790.04	-202.12	46.14	-202.12	207.32	167.14	.46
2900.00	2.46	194.53	2889.93	-206.40	44.60	-206.40	211.16	167.81	.56
3000.00	2.37	186.87	2989.84	-210.53	43.81	-210.53	215.04	168.24	.33
3100.00	2.46	181.27	3089.76	-214.72	43.51	-214.72	219.09	168.54	.25
3200.00	2.40	173.30	3189.67	-218.95	43.71	-218.95	223.27	168.71	.34
3300.00	2.53	172.76	3289.57	-223.22	44.23	-223.22	227.56	168.79	.13
3400.00	2.71	166.61	3389.47	-227.71	45.06	-227.71	232.12	168.81	.33
3500.00	2.45	157.71	3489.37	-231.98	46.42	-231.98	236.58	168.69	.48
3600.00	2.37	140.52	3589.28	-235.56	48.54	-235.56	240.51	168.36	.72
3700.00	3.15	129.46	3689.16	-238.90	51.98	-238.90	244.49	167.73	.94
3800.00	3.91	128.25	3788.97	-242.76	56.78	-242.76	249.31	166.84	.76

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
3900.00	4.13	125.26	3888.73	-246.95	62.40	-246.95	254.71	165.82	.30
4000.00	4.10	126.51	3988.47	-251.15	68.21	-251.15	260.25	164.81	.09
4100.00	4.04	126.17	4088.22	-255.36	73.93	-255.36	265.84	163.85	.06
4200.00	3.59	119.32	4188.00	-258.97	79.50	-258.97	270.90	162.93	.64
4300.00	3.76	117.45	4287.79	-262.02	85.14	-262.02	275.50	162.00	.21

Last Survey Depth Recorded									
4350.00	3.75	116.19	4337.68	-263.49	88.06	-263.49	277.82	161.52	.17



January 9th, 2013

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

To Whom It May Concern;

Re: LOCATION EXEMPTION LETTER - Gordon Creek NE-32-13S-8E

In reference to the State of Utah Oil & Gas Conservation Rule # R649-3-2, the proposed well GORDON CREEK NE-32-13S-8E is an exception to the rule due to the topography of the 40 acre Section that the well is located in.

There are no additional lease owners with 460' of the proposed location, and we hold the mineral rights to all of Section 32.

If you have any further questions regarding this matter, please don't hesitate to contact me by telephone at (403) 453-1608 or via email at bbrumwell@thunderbirdenergy.com.

Respectfully;

Barry Brumwell, C.E.T.
Vice President of Operations
Thunderbird Energy
Gordon Creek, LLC.

Gordon Creek, LLC. is a wholly owned subsidiary of thunderbird Energy Inc.

#550, 1010 – 1st Street S.W. Calgary, Alberta, Canada T3Z 1G7



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 27, 2014

Via FedEx

Barry Brumwell
Vice President of Operations
Thunderbird Energy / Gordon Creek, LLC
#800, 555 – 4th Avenue S.W.
Calgary, Alberta, Canada T2P 3E7

43 007 50245
Gordon Creek NE 32-13-8
32 13S 8E

Subject: Oil and Gas General Conservation Rule R649-3-36 - Shut-in and Temporarily Abandoned Wells

Dear Mr. Brumwell:

The Division of Oil, Gas and Mining (the "Division") issued Gordon Creek LLC c/o Thunderbird Energy (Gordon Creek) a Shut-in and Temporary Abandonment Notice of Violation (NOV), dated November 12, 2012, for the following seven (7) wells:

Burnside 29-14-8	API 43-007-30725	SI/TA approval - May 1, 2014
Gordon Creek ST 1-30-14-8	API 43-007-31235	SI/TA approval - Feb 1, 2014
Gordon Creek ST 4-18-14-8	API 43-007-30881	SI/TA approval - May 1, 2014
Gordon Creek ST 2-20-14-8	API 43-007-30883	Subsequent Sundry 2/15/2013 For Record Only
Gordon Creek ST 3-20-14-8	API 43-007-31233	SI/TA approval - May 1, 2014
Gordon Creek ST 2-29-14-8	API 43-007-31234	SI/TA approval - Feb 1, 2014
Gordon Creek ST 19-14-8(B)	API 43-007-30807	SI/TA approval - May 1, 2014

In response to the NOV, the Division and Gordon Creek held a December 2012 conference call. Gordon Creek stated they had capital for equipping the field with well-site separators, electrification, pumping equipment and pipelines. Gordon Creek also stated they had capital for drilling additional wells in the field and committed to meeting shut-in well requirements for the above subject wells. Gordon Creek submitted a letter dated December 18, 2012, stating that it conducted casing integrity tests on all of the subject wells between July and September of 2010. Similar tests were also conducted on five (5) of the subject wells in 2011. The integrity tests were submitted to the Division. In addition, Gordon Creek submitted a letter dated December 19, 2012, specifically outlining its 2013 field development plans to electrify parts of the field, recomplete the Gordon Creek ST 4-18-14-18, Gordon Creek ST 3-20-14-8 and Gordon Creek ST 2-29-14-8 wells and drill 20 new additional wells. The Division later granted shut-in and temporary abandonment approvals for six (6) of the seven (7) wells listed above based on submitted sundries meeting shut-in extension requirements and the field plans described in the December 2012 letters with the understanding Gordon Creek would keep the Division updated on field development and any changes to the plans.

If any of the above proposed work was accomplished last year Gordon Creek did not keep the Division informed. We reviewed the Gordon Creek ST 4-18-14-18, Gordon Creek ST 3-20-14-8 and Gordon Creek ST 2-29-14-8 well files and did not find any notices of intent for recompletion or subsequent recompletion sundries for the wells. If work was done on the wells please submit sundries



immediately for the well files. Also, the above extended shut-in approvals required periodic pressure and fluid monitoring to ensure ongoing integrity of the wells. The periodic monitoring should have also been submitted to the Division on individual well sundries for Division review and well files. Shut-in extensions for two of the above wells expired February 1, 2014 and the other four expired May 1, 2014.

As of the date of this letter Gordon Creek currently have seventeen (17) shut-in wells, the above listed seven wells and the following ten (10) new wells:

Gordon Creek ST 1A-18-14-18	API 43-007-30892	Last Prod – June 2013
Gordon Creek NE-31-13-8	API 43-007-50243	Last Prod – May 2013
→ Gordon Creek NE-32-13-8	API 43-007-50245	Last Prod – March 2013
Gordon Creek SW-32-13-8	API 43-007-50246	Last Prod – June 2013
Gordon Creek NW-5-14-8	API 43-007-50248	Last Prod – July 2013
Gordon Creek ST SW-7-14-8	API 43-007-50242	Last Prod – May 2013
Gordon Creek ST SE-B-7-14-18	API 43-007-50255	Last Prod – April 2013
Gordon Creek NW-32-13-18	API 43-007-50244	Last Prod – Jan 2014
Gordon Creek NW-31-13-8	API 43-007-50250	OPS – Spud Feb 2012
Gordon Creek SE-32-13-8	API 43-007-50247	OPS – Spud Jan 2012

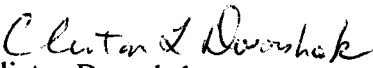
The operator is responsible to file, yearly, for extended shut-in or temporary abandonment for wells shut-in or temporarily abandoned for a period of twelve (12) consecutive months. Gordon Creek must file a Sundry Notice providing the following information for each of the above seventeen listed wells; reasons for shut-in or temporarily abandonment of the well, length of time the well is expected to be shut-in or temporarily abandoned and an explanation and supporting data showing the well has integrity (R649-3-36.1). After review the Division will either approve the continued shut-in or temporarily abandoned status or require remedial action (R649-3-36.2). After five (5) years of non-activity or non-productivity, the well shall be plugged in accordance with R649-3-24, unless approval for extended shut-in time is given by the Division upon a showing of good cause by the operator (R649-3-36.3). Please note, six (6) of the seventeen wells listed above have been shut-in over five (5) years.

Gordon Creek has until **June 30, 2014**, to submit sundries, for the subject wells, in accordance with **Oil and Gas Conservation General Rule 649-3-36 Shut-in and Temporarily Abandoned Wells**.

Should Gordon Creek not meet shut-in and temporarily abandoned well requirements, the Division is prepared to file a Notice of Agency Action (NAA) for Commencement of Informal Adjudicative Proceedings (R649-10-3) for this matter in accordance with Oil and Gas Conservation General Rule R649-10 Administrative Procedures.

If you have any questions or need further assistance, please feel free to contact me at clintondworshak@utah.gov or 801-538-5280 or Dustin Doucet, Petroleum Engineer, at dustindoucet@utah.gov or 801-538-5281.

Sincerely,


Clinton Dworshak
Oil and Gas Compliance Manager

CLD/js
cc: John Rogers, Oil & Gas Associate Director
Dustin Doucet, Petroleum Engineer
Well Files
Compliance File

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: GORDON CREEK NE-32-13-8	
2. NAME OF OPERATOR: GORDON CREEK, LLC	9. API NUMBER: 43007502450000	
3. ADDRESS OF OPERATOR: 1179 E Main #345, Price, UT, 84501	PHONE NUMBER: 403 453-1608 Ext	9. FIELD and POOL or WILDCAT: GORDON CREEK
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1580 FNL 2398 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 32 Township: 13.0S Range: 08.0E Meridian: S		COUNTY: CARBON
		STATE: UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 7/10/2015	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input checked="" type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input checked="" type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: Change BHP and Pumpjack
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The plan is to remove the existing 228 pumpjack from location, then move on a workover rig and POOH with the existing insert BHP, rods and 2.375" tubing. Then we will install a new 640 pumpjack, then run in hole with new 3.25" tubing pump on new 2.875" tubing and set the BHP at 3850". Then we will run a new 0.75" rods and latch onto the tubing pump, stroke the pump up and ensure operability. We will then install the polished rod into the pumpjack and start the well up on production.

Approved by the
June 17, 2015
Utah Division of
Oil, Gas and Mining

Date: _____

By: Derek Duff

NAME (PLEASE PRINT) Barry Brumwell	PHONE NUMBER 403 453-1608	TITLE Vice President-Operations
SIGNATURE N/A		DATE 6/16/2015

BEATTY & WOZNIAK, P.C.

ATTORNEYS AT LAW
7440 CREEK ROAD, SUITE 250
SANDY, UTAH 84093
TELEPHONE (801) 566-8446
FACSIMILE (801) 566-8447
www.bwenergylaw.com

CASPER
CHEYENNE
DENVER
SALT LAKE CITY
SANTA FE

BRIAN A. TAYLOR

(801) 676-2307
BTAYLOR@BWENERGYLAW.COM

December 24, 2014

Clinton Dworshak
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 300
Salt Lake City, UT 84116

Dear Clint:

The purpose of this letter is to place in writing the agreement between Gordon Creek Energy, Inc. ("Gordon Creek") and the Utah Division of Oil, Gas and Mining (the "Division"), in order to satisfy the requirements of the August 4, 2014 Division Bonding Order (the "Order") issued by the Division.

At a meeting between Gordon Creek and the Division at the offices of the Division on Wednesday October 29, 2014, the Division and Gordon Creek discussed the various issues associated with Gordon Creek's operations in Utah and the impact the Order has on those operations. As a result of those discussions, it is understood by the Division that Gordon Creek is in the process of obtaining both short term and long term financing to enhance its operations in the State of Utah and that securing this financing is essential for Gordon Creek to acquire the necessary bonding for its wells in the State of Utah. It is anticipated that Gordon Creek will obtain some of this financing in early December 2014. Based on the receipt of those funds, Gordon Creek and the Division agreed to the following terms and conditions to withhold enforcement of the Order:

1. The funds obtained in December of 2014 will be used to re-work Gordon Creeks existing shut-in wells and improve the existing infrastructure of Gordon Creeks operations in the State of Utah. It is anticipated that all re-working activities will be completed by the end of December 2014 for the following wells:

API No.

Well Name

43-007-30881
43-007-30892
43-007-50242

Gordon Creek 4-18-14-8
Gordon Creek 1A-18-14-8
Gordon Creek SW 7-14-8

BEATTY & WOZNIAK, P.C.

Clinton Dworshak
Utah Division of Oil, Gas and Mining
December 24, 2014
Page 2

43-007-50243	Gordon Creek NE 31-13-8
43-007-50244	Gordon Creek NW 32-13-8
43-007-50245	Gordon Creek NE 32-13-8
43-007-50246	Gordon Creek SW 32-13-8
43-007-50248	Gordon Creek NW 5-14-8
43-007-50249	Gordon Creek NE 5-14-8
43-007-50255	Gordon Creek SE B 7-14-8

2. Given the winter closure requirements of the Utah Division of Wildlife Resources, from December 1, 2014 until April 15, 2015, and the amount of surface disturbance required to rework the wells, all re-working activities will be completed by June 30, 2015 for the following wells:

<u>API No.</u>	<u>Well Name</u>
43-007-30725	Burnside 29-14-8
43-007-30807	Gordon Creek ST 19-14-8(B)
43-007-30883	Gordon Creek ST 2-20-14-8
43-007-31233	Gordon Creek ST 3-20-14-8
43-007-31234	Gordon Creek ST 2-29-14-8

3. Gordon Creek will provide Sundry Notices to the Division on the progress of these well and infrastructure activities as required by the Well Workover and Recompletions rule, Utah Admin. Code R649-3-23.
4. The Division will not require Gordon Creek to provide bonding for all of its well locations at once, but will allow it to acquire the necessary depth bonding as described in R649-3-1(5.3) to cover the equivalent of four wells at a time at the rate of \$30,000.00 per well.
5. The existing \$120,000.00 blanket bond and the future bonding or surety, provided by Gordon Creek, as outlined in Paragraph 7 below, will cover all of the wells listed on Schedule A of the Order as two separate blanket bonds. In the event it becomes necessary to use proceeds from the blanket bonds, the Division will apply the proceeds to any one or more of the wells listed on Schedule A at its discretion. As such, if the plugging of a well, or group of a wells, cost less than the estimated \$30,000.00 as outlined in R649-3-1(5.3), the Division can use the remaining amount to plug and/or reclaim any of the other wells and well sites on Schedule A.

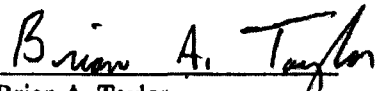
BEATTY & WOZNAK, P.C.

Clinton Dworshak
Utah Division of Oil, Gas and Mining
December 24, 2014
Page 3

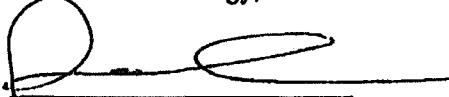
6. The first payment of \$120,000.00 covering the equivalent of four wells will be due and payable by February 27, 2015.
7. Gordon Creek will make additional \$120,000.00 payments every three months until all of the existing shut-in wells listed on Schedule A of the Order are fully covered. These additional payments will be due on or before May 29, 2015, August 31, 2015, and November 30, 2015, with a final payment covering any outstanding amounts by February 27, 2016.
8. In the event Gordon Creek obtains additional long term financing prior to February 27, 2016, it will pay any remaining amount owed to have depth bonding on all of its wells in the State of Utah within 30 days of the closing date of the additional financing.
9. The Division will conduct a surface inspection of the wells listed as "Location Abandoned" on Schedule A of the Order to determine if any reclamation work is needed. In the event no reclamation work is needed, the \$1,500.00 bond requirements listed for those lands will be removed from the total amount owed by Gordon Creek.
10. When Gordon Creek has satisfied the requirements for a blanket bond under R649-3-1 (6), the Division will release all additional bonding required by the Order upon the request of Gordon Creek.

If I have accurately stated our agreement and understanding, please sign below and return to me at your earliest opportunity.

Respectfully,


Brian A. Taylor
Attorney for Gordon Creek Energy

Gordon Creek Energy, Inc.


Rupert Evans
President

BEATTY & WOZNIAK, P.C.

Clinton Dworshak
Utah Division of Oil, Gas and Mining
December 24, 2014
Page 4

The above correctly sets forth our agreement and understanding

Utah Division of Oil, Gas and Mining

Date: 12/30/14

Clinton L. Dworshak

By: Clinton Dworshak
Compliance Manager

BAT: dc
5056.0002
334073

cc: John Rogers, Associate Director
Dustin Doucet, Petroleum Engineer
Douglas J. Crapo, Assistant Attorney General
John Robinson Jr., Assistant Attorney General